



A Doctoral Dissertation

BEYOND THE BALANCE OF POWER:
THE LOGIC OF CHINA'S ENGAGEMENT IN REGIONAL
MULTILATERALISM

WEIFENG ZHOU

Supervisor: Mario Esteban Rodríguez
Department of Political Science and International Relations, Faculty of
Law, Autonomous University of Madrid

© 2018 Weifeng Zhou, Madrid

© 2018 Weifeng Zhou, Madrid (SPAIN)

A doctoral dissertation is submitted to the Faculty of Law of the Autonomous University of Madrid in partial fulfilment of the requirements for the Degree of Doctor of Philosophy in Political Science and International Relations.

“The structure of power in the international system determines the role of institutions.
NATO’s continued existence conveniently illustrates how international institutions
are created and maintained by stronger states to serve their
perceived and misperceived interests.”
Kenneth Waltz (2000)

ABSTRACT

Over the past decades, China has adopted a proactive attitude towards regional multilateral cooperation that signals a dramatic shift of Chinese foreign policy. What explains the rationales behind China's activism in regional multilateralism? Based on neorealist, neoliberal and constructivist perspectives, the present thesis explores the logic of China's growing engagement with regional multilateral cooperation in East Asia, Central Asia and the Eurasian landmass by conducting three cases studies involving the ASEAN Plus Three (APT), the Shanghai Cooperation Organization (SCO) and the Belt and Road Initiative (BRI). This dissertation concludes that China's engagement with regional multilateral cooperation is strongly motivated by an evolving grand strategy in search for security and great power status. First, regional multilateral institutions are strategically and tactically used by Beijing as a vehicle of soft balancing to undermine US dominance without directly provoking it, since regional multilateral cooperation allows Beijing to establish an asymmetric interdependence over other countries, to reassure them of its benign intentions, and to deter them from forming an anti-China coalition. Second, regional multilateralism has been a new paradigm for Chinese foreign policy as it provides a vital mechanism not merely to increase access to regional markets and ensure a peaceful international environment, but also institutionalize its periphery strategy and advance its geo-economic, geopolitical and geostrategic interests in Asia and globally. Third, regional multilateral initiatives provide a new path for China to build soft and normative power and reshape global governance in all efforts to foster its role as a responsible, benign and peaceful power and transform the existing international system in a way that reflects its values, interests and growing status. Accordingly, regional multilateralism presents an alternative path for Beijing to achieve its peaceful rise.

SUMMARY

Over the past decades, China's foreign policy has experienced a dramatic shift from bilateralism and multilateralism to regional multilateralism. Since the 1990s, China has been a major actor in initiating, developing and institutionalizing regional multilateral cooperation. Its active involvement in regional multilateral mechanisms has shifted from a strong desire to deepening regional economic integration in East Asia and a growing need for safeguarding its security interests in Central Asia to a new grand strategy for advancing its geo-economic, geopolitical and geostrategic interests in the Eurasian landmass and globally. When regional multilateralism has been a new paradigm for Chinese foreign policy, this dissertation examines the logic of China's growing engagement in regional multilateral cooperation by addressing three main questions: *What are the motivations and calculations behind China's evolving foreign policy towards regional multilateralism? What are the relevance and significance of regional multilateralism in managing its cooperative and competitive relations with other major powers and its peaceful rise? And what are the success and limits of China's embrace of regional multilateralism in achieving its key foreign policy objectives?*

Regional multilateralism is far from a new phenomenon in international relations. Although there exists extensive literature on the study of regional multilateralism in Asia, most of the research explored the shape and substance of regional multilateralism in Asia merely from a political or economic perspective that has limited explanatory power for two reasons. First, although the market-driven globalization is the primary driving force for the development of regional multilateralism, economic motivation fails to fully explain the proliferation of regional multilateral initiatives in Asia as it neglects the security dimension. Second, since regional multilateral cooperation involves not only economic and political but also security factors, it is still not clear whether they could serve as either a catalyst or obstacle to regional multilateral process in Asia, and how they could influence the formulation of the country's foreign policy. This thesis argues that regional multilateralism is a complex process to collectivize interests, demand and autonomy of all the regional actors. And the dynamic interactions of states inside and outside institutions can reshape the international relations regionally and globally and affect the country's foreign policy behavior.

By illustrating the evolution of China's growing engagement in regional multilateral cooperation in East Asia, Central Asia and the Eurasian space, this thesis suggests that China's involvement in regional multilateralism is an ongoing process with increasing intensity and velocity as China's power continues to grow economically, politically and militarily. The rising role of regional multilateralism in Chinese foreign policy is strongly shaped by a dynamic interaction of domestic and international forces with a combination of economic, political and strategic dimensions. On the one hand, regional multilateralism provides a way for Beijing to expand its influence from East Asia to Central Asia and the Eurasian landmass, advancing its regional and global interests in various domains. On the other hand, while China's rise is challenging the US-dominated order, it has triggered an intensifying strategic rivalry between Beijing and Washington. In addition, China's growing economic and military power caused anxiety, fear and mistrust in Asian countries that fueled the perceptions of the China Threat. Those situations present Beijing with a true dilemma of how to deal with emerging security and geopolitical challenges and achieve a peaceful rise. Thus, regional multilateralism serves as a means to manage its complicated relations with Washington and other regional actors.

To further develop this area of study empirically and theoretically, the present thesis tries to make a contribution to the literatures on Chinese foreign policy and the role of regional multilateralism in international relations by providing new insight into how ideas, interests and institutions influence the country's foreign policy behavior and reshape the international relations between states inside and outside regional multilateral institutions. To achieve this goal, this thesis analyzes the motivations and calculations, the relevance and significance, and the success and limits of China's evolving foreign policy towards regional multilateralism in East Asia, Central Asia and the Eurasian landmass by conducting three cases studies involving the ASEAN Plus Three (APT), the Shanghai Cooperation Organization (SCO) and the Belt and Road Initiative (BRI). This research work offers a depth and breadth of understanding the role of regional multilateralism in Chinese foreign policy from the neorealist, neoliberal and constructivist perspectives and sheds some light on how China as a rising power attempts to advance its complex domestic and international agendas by proactively engaging in various regional multilateral cooperation, ensuring security, promoting power status, and achieving its peaceful rise.

MAIN CONCLUSIONS

This dissertation has tried to study the logic of China's engagement in regional multilateralism. It suggests that the rising role of regional multilateralism in Chinese foreign policy is considered a strategic adaptation process to the changing domestic, regional and international environment. While China's power continues to grow, China has turned into an increasingly confident global actor and is keen to expand its influence from East Asia and Central Asia to the whole Eurasian continent. Having examined the motivations and calculations behind China's approach towards regional multilateral institutions in East Asia by using the concept of institutional balancing, it finds that China's activism in regional multilateralism in East Asia is strongly motivated by a strategy of institutional balancing to delay, frustrate and undermine the US's dominant power. Institutional balancing is materialized in three dimensions: establishing asymmetric economic interdependence over its Asian neighbors; enhancing strategic reassurance in East Asia; and deterring the formation of any anti-China coalition. This strategy has proved particularly successful with Cambodia and Laos, and unsuccessful with states that hold territorial disputes or a strategic rivalry with Beijing, namely Japan, Vietnam and the Philippines before Duterte. Meanwhile, most East Asian states pursue a hedging strategy to maintain strategic balance between Beijing and Washington and prevent any single power to dominate East Asia.

Having analyzed the rationales behind China's strategy towards the Shanghai Cooperation Organization (SCO) by using the concept of soft balancing, it concludes that China approach towards the SCO is driven by a strategy of soft balancing against the American hegemony. The SCO is strategically and tactically used as a vehicle of soft balancing to isolate, marginalize and undermine the US power and influence in Central Asia and beyond. This strategic maneuver is materialized in three ways: resisting the US's expansion in Central Asia to ensure security and stability of its western frontier; promoting common norms such as 'sovereignty' and 'non-interference' to counter the West-supported color revolutions; and forging a Sino-Russian strategic alliance to foster a multipolar world and counterbalance the US global hegemony and unilateralism. However, the Sino-Russia competition and the complex geopolitics of Central Asia might undermine Beijing's attempt to use the SCO as an instrument of soft balancing against the US hegemony when its expanding influence in the former Soviet space has generated concerns in Moscow, and when Central Asian states are trying to diversify their relations with the western powers and avoid overdependence on Beijing and Moscow economically and politically.

Having examined the strategic calculations behind China's Belt and Road Initiative, the present thesis suggests that China's efforts to enhance regional multilateral cooperation across the Eurasian space through the BRI are strongly motivated by a multifaceted grand strategy. First, China makes use of the BRI as a vehicle of soft balancing to frustrate the US containment and encirclement of China, and undermine its dominance in Eurasia and beyond. Second, China intends to promote alternative ideas and norms and build its role as a normative power through the BRI for fostering the legitimacy of its rising power. Third, China seeks to form a bargaining coalition through the BRI and AIIB to reshape global governance and transform the existing international system in a way that reflects its values, interests, and status. Overall, the BRI serves as a decisive strategic maneuver for China to ensure security and promote power status in the international order, moving from a rule-taker to rule-maker. Although the BRI has significance for strengthening Beijing's global role, this ambitious initiative faces potential challenges including geopolitical rivalry, security threats, territorial disputes and political risks that would undermine its efforts to promote interconnectivity and regional multilateral cooperation along the Silk Road.

Based on the evidence from explorative case studies, the main conclusions are derived that regional multilateralism as a new paradigm can reshape the international relations between states inside and outside institutions. China's growing engagement in regional multilateralism is strongly motivated by an evolving grand strategy in search for security and great power status. First, regional multilateral cooperation and institutions are strategically and tactically used by Beijing as a vehicle of soft balancing to undermine US dominance without directly provoking it, since regional multilateral settings allow Beijing to establish an asymmetric interdependence over other countries, reassure them of its benign intentions, and deter them from forming an anti-China coalition. Second, regional multilateralism has been a new paradigm for Chinese foreign policy as it provides a mechanism not merely to increase access to regional markets and ensure a peaceful international environment, but also institutionalize its periphery strategy and advance its geopolitical and geostrategic interests in a regional and global context. Third, regional multilateral initiatives offer a creative way for Beijing to build soft and normative power and reshape global governance in all efforts to foster its role as a responsible, benign and peaceful power and transform the existing international system in a way that reflects its values, interests and international status. Accordingly, regional multilateralism presents an alternative path for Beijing to achieve its peaceful rise.

RESUMEN

En las últimas décadas la política exterior china ha experimentado un giro dramático del bilateralismo y el multilateralismo al multilateralismo regional. Desde la década de los 90 del siglo pasado, China se ha convertido en un actor central a la hora de iniciar, desarrollar e institucionalizar mecanismos de cooperación multilateral regional. Su involucración activa en procesos multilaterales regionales ha virado de un fuerte deseo de profundizar la integración económica regional en Asia Oriental y salvaguardar sus intereses en materia de seguridad en Asia Central a una nueva gran estrategia para avanzar sus intereses geoeconómicos, geopolíticos y geoestratégicos en el continente euroasiático y a escala global. El multilateralismo se ha convertido en un nuevo paradigma de la política exterior china y esta tesis analiza la lógica detrás de la creciente involucración de China en la cooperación multilateral regional abordando tres preguntas principales: *¿Cuáles son las motivaciones y los cálculos detrás del papel cambiante del multilateralismo regional dentro de la política exterior china? ¿Cuál es la relevancia y el significado del regionalismo multilateral en la gestión de sus relaciones cooperativas y competitivas con otras grandes potencias y su ascenso pacífico? Y ¿cuáles son los éxitos y los límites del abrazo de China del multilateralismo regional para conseguir sus objetivos de política exterior?*

El multilateralismo regional no es un fenómeno nuevo dentro de las relaciones internacionales. Aunque existe una amplia literatura sobre el estudio del regionalismo multilateral en Asia, la mayor parte de esa investigación explora este fenómeno desde una óptica política y económica que tiene una capacidad explicativa limitada por dos motivos. En primer lugar, a pesar de que la globalización impulsada por la lógica del mercado es la principal fuerza motriz del desarrollo del multilateralismo regional, la motivación económica no es capaz de explicar en su totalidad la proliferación de iniciativas multilaterales regionales en Asia al obviar su dimensión securitaria. En segundo lugar, no queda claro si esa dimensión de seguridad es un catalizador o un obstáculo para los procesos multilaterales regionales en Asia ni cómo influyen en la formulación de la política exterior de los países involucrados. Esta tesis sostiene que el multilateralismo regional es un proceso complejo de convergencia de intereses y demanda de autonomía para todos los actores regionales involucrados; y que las interacciones dinámicas de los Estados que están dentro y fuera de esas instituciones pueden transformar las relaciones internacionales dentro y fuera de la región toda vez que afectan a la acción internacional de los Estados.

Ilustrando la evolución del creciente compromiso de China con el multilateralismo regional en Asia Oriental, Asia Central, y el espacio Euroasiático, esta tesis sugiere que la involucración de China en el multilateralismo regional es un proceso en marcha de velocidad e intensidad creciente a medida que el poder económico, político, y militar de China va aumentando. El creciente papel del multilateralismo regional en la política exterior china está fuertemente condicionado por la interacción dinámica de factores domésticos e internacionales en los ámbitos económico, político y estratégico. Por un lado, el multilateralismo regional ofrece a Pekín una vía para expandir su influencia desde Asia Oriental y Asia Central a todo el espacio euroasiático, avanzando sus intereses en varios marcos geográficos y dominios temáticos. Por otro lado, a medida que el ascenso de China desafía el orden internacional dominado por Estados Unidos, ha detonado e intensificado una rivalidad estratégica entre Pekín y Washington. Además, las crecientes capacidades económicas y militares de China han avivado la percepción de China como una amenaza, causando ansiedad, miedo y desconfianza en diferentes países asiáticos. Estas situaciones presentan un verdadero dilema para Pekín sobre cómo tratar con desafíos de seguridad y geoestratégicos a la vez que consigue un ascenso pacífico. En este contexto, China recurre al multilateralismo regional como un instrumento para gestionar sus complicadas relaciones con Washington y otros actores regionales.

Para profundizar a nivel teórico y empírico en esta área de estudio, esta tesis aspira a contribuir a la literatura sobre política exterior china y el papel del multilateralismo regional en las relaciones internacionales aportando nuevas perspectivas sobre cómo diferentes ideas, intereses e instituciones influyen la acción exterior de China y conforman las relaciones entre China y otros Estados que participan o se mantienen al margen de diferentes mecanismos multilaterales regionales en los que participa activamente Pekín. Para alcanzar este objetivo, esta tesis explora las motivaciones y los cálculos, la relevancia y significación, y los logros y fracasos del posicionamiento cambiante de China hacia los mecanismos multilaterales regionales en Asia Oriental, Asia Central y el continente euroasiático a través de tres casos de estudio: ASEAN +3, la Organización de Cooperación de Shanghái (OCS), y la Iniciativa de la Franja y la Ruta (IFR). Esta investigación ofrece así un análisis amplio y profundo del papel del multilateralismo regional en la política exterior china a partir de diferentes paradigmas teóricos: neorrealista, neoliberal y constructivista. De esta manera se arroja luz sobre la forma en que una potencia emergente como China avanza su compleja agenda doméstica e internacional a través de una participación proactiva en varios marcos de cooperación multilateral regional.

CONCLUSIONES PRINCIPALES

Esta tesis ha intentado estudiar la lógica detrás del posicionamiento cambiante de China hacia el multilateralismo regional. El creciente protagonismo del multilateralismo regional dentro de la política exterior china se interpreta como una adaptación estratégica a un contexto nacional e internacional cambiante. A medida que las capacidades de China van creciendo, Pekín se convierte en un actor internacional cada vez más confiando y dispuesto a expandir su influencia desde Asia Oriental y Central al conjunto del espacio euroasiático. Habiendo usado el concepto de balance institucional para analizar las motivaciones y los cálculos detrás del posicionamiento de China hacia los mecanismos multilaterales regionales, se evidencia que el activismo de China en este campo está fuertemente motivado por una estrategia de balance institucional para obstaculizar, frustrar y socavar el poder dominante estadounidense. Este reequilibrio institucional se plasma en tres dimensiones: estableciendo una interdependencia económica asimétrica sobre sus vecinos asiáticos; ofreciendo garantías estratégicas en Asia Oriental; y disuadiendo la formación de cualquier coalición anti-china. Esta estrategia ha sido particularmente exitosa con Camboya y Laos e ineficaz con los países que mantienen disputas territoriales o rivalidad estratégica con Pekín, especialmente con Japón, Vietnam y Filipinas antes de la llegada al poder de Duterte. Por su parte, la mayor parte de países de la región siguen una estrategia de diversificación orientada al mantenimiento de un equilibrio estratégico entre Pekín y Washington que evite que una sola potencia domine Asia Oriental.

Habiendo utilizado el concepto de reequilibrio blando para examinar la lógica detrás de la estrategia de China hacia la OCS, se concluye que el posicionamiento de Pekín hacia dicha organización viene motivado por una estrategia de reequilibrio blando frente a la hegemonía norteamericana. La OCS es utilizada tácticamente y estratégicamente como un instrumento de reequilibrio blando para aislar, marginar y socavar el poder y la influencia de Estados Unidos en Asia Central. Esta maniobra estratégica se materializa de tres maneras: resistiendo la expansión de Estados Unidos en Asia Central para garantizar la seguridad y estabilidad de la frontera occidental de China; promoviendo normas comunes como soberanía y no-interferencia para contrarrestar las revoluciones de colores apoyadas por Occidente; forjando una alianza estratégica sino-rusa para promover un mundo multipolar y contrapesar la hegemonía global y el unilateralismo estadounidense. Sin embargo, la competencia sino-rusa y la compleja geopolítica de Asia Central pueden obstaculizar los intentos chinos de usar la OCS como un instrumento de reequilibrio blando frente

a la expansión de la influencia estadounidense en el espacio post-soviético en un contexto en el que los países centroasiáticos intentan diversificar sus relaciones con las potencias occidentales y evitar una sobre-dependencia política y económica de Pekín y Moscú.

Habiendo analizado los cálculos estratégicos detrás de la IFR, esta tesis sugiere que los esfuerzos de China para potenciar la cooperación multilateral regional a lo largo del espacio euroasiático están fuertemente motivados por una estrategia nacional multidimensional. Primero, China utiliza la IFR como un instrumento de contrapeso blando para frustrar la estrategia estadounidense de contención y circunvalación de China y erosionar su posición preeminente en Eurasia y en la escena global. Segundo, China pretende promover normas y valores alternativos para presentarse como una potencia normativa a través de la IFR para legitimar su creciente poder. Tercero, China aspira a formar una coalición de negociación a través de la IFR y del Banco Asiático de Inversión en Infraestructuras para transformar la gobernanza global y el sistema internacional existente de manera que refleje sus valores, intereses y estatus. En resumen, la IFR sirve como una maniobra estratégica para China para garantizar su seguridad y promover su estatus en el orden internacional, pasando de ser un actor que adopta las normas a otro que las crea. Aunque la IFR tiene un gran potencial para reforzar el papel de Pekín en la escena global, también enfrenta posibles desafíos como la rivalidad geopolítica, amenazas de seguridad, disputas territoriales y riesgos políticos que pueden erosionar sus esfuerzos para promover la interconectividad y la cooperación regional a lo largo de la Ruta de la Seda.

A partir de la evidencia extraída de los casos de estudio exploratorios, las principales conclusiones que se derivan son que el multilateralismo regional es un nuevo paradigma que pueda modificar las relaciones internacionales entre los estados que participan y que quedan fuera de dichos procesos. El creciente compromiso de China con el multilateralismo regional está fuertemente motivado por una gran estrategia nacional dinámica que busca seguridad y estatus de gran potencia para China. Primero, la cooperación y las instituciones multilaterales regionales son utilizadas tácticamente y estratégicamente por Pekín como instrumento de contrapeso blando para socavar el dominio estadounidense sin provocar directamente a este país, gracias a que los mecanismos del multilateralismo regional permiten a Pekín establecer una relación de interdependencia asimétrica con otros países, reasegurarles de sus intenciones benignas, y disuadirles de formar una coalición anti-china. Segundo, el

multilateralismo regional sirve de nuevo paradigma dentro de la política exterior china gracias a que incrementa su acceso a los mercados regionales, mantiene un orden internacional pacífico, y le permite institucionalizar su estrategia de vecindad y avanzar sus intereses geopolíticos y estratégicos tanto en un contexto regional como global. Tercero, las iniciativas multilaterales regionales le ofrecen a Pekín una forma creativa de aumentar su poder blando y normativo, presentándose como potencia responsable, benigna y pacífica, lo que favorece que pueda transformar la gobernanza global de manera que refleje mejor sus valores, intereses y estatus. De esta forma, el multilateralismo regional le ofrece a Pekín un camino para conseguir su ascenso pacífico.

ACKNOWLEDGEMENTS

Throughout my doctoral research, I have greatly benefited from the assistance, support and guidance of many people. First, I would like to express my sincere and heartfelt thanks to my supervisor, Professor Mario Esteban, for his sound guidance, invaluable advice, and continuing support during my doctoral research. When writing my thesis, I have benefited so much from sharing his ideas, comments and suggestions that has significantly contributed to this dissertation. Prof. Esteban not only gave me a great freedom to develop research ideas of my dissertation, he also supported me to broaden and deepen my research expertise in the relevant topics by participating in his research projects at the Elcano Royal Institute, Madrid. In addition, he strongly encouraged me to conduct a research stay at the foreign research institutions that has provided me a great opportunity to gain research experience in the related fields and discover new ideas and methods on my dissertation. These research experiences will be invaluable for my future academic career. In particular, I would like to thank Prof. Esteban for his inspiration, encouragement, and support. Without him, it would have been impossible to finish this dissertation.

Since the beginning of my thesis, I have received the assistance and support from my tutor Professor Maria de Carmen Navarro, whose helpful advice and guidance were essential for navigating all the requirements of the doctoral program at the Department of Political Science and International Relations, Autonomous University of Madrid. I really appreciate her help and support. I also give my thanks to all the friends and people who have kindly helped me during my PhD research in Spain and China. I am very thankful to the Institute of World Economics and Politics (IWEP), Chinese Academy of Social Sciences (CASS), China and the Northeast Asian College, Jilin University, China for having provided me opportunities to undertake a research stay in Beijing and Changchun. I would particularly like to thank Dr. Xu Jin and Dr. Xu Xiujun of the CASS and Prof. Zhang Jingquan of the Jilin University for their helpful ideas, comments, and suggestions on part of my dissertation.

I dedicate this dissertation to my wife and two sons for their persistent encouragement and support that gave me great enthusiasm during my doctoral research. This work is also dedicated to my parents, who passed away, for their love and guidance that I will treasure all my life.

TABLE OF CONTENTS

	Abstract	IV
	Summary	V
	Acknowledgements	XIV
	Table of Contents	XV
	List of Abbreviations	XVI
	List of Charts, Tables and Figures	XVIII
Chapter 1	Introduction: Regional Multilateralism: A New Paradigm for China's Foreign Policy	1
Chapter 2	The Role of Regional Multilateralism in International Relations: A Theoretical Foundation	42
Chapter 3	Asymmetric Interdependence and Institutional Balancing: China's Approach towards Regional Multilateralism in East Asia	75
Chapter 4	Soft Balancing against the Hegemon: China's Approach towards the Shanghai Cooperation Organization	101
Chapter 5	Beyond Balancing: China's Approach towards the Belt and Road Initiative	130
Chapter 6	Conclusion: Regional Multilateralism: An Alternative Path to China's Peaceful Rise	156
	Bibliography	176
	Appendix	212

LIST OF ABBREVIATIONS

AIIB	Asian Infrastructure Investment Bank
APEC	Asia Pacific Economic Cooperation
APT	ASEAN Plus Three
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
BFA	Boao Forum for Asia
BRI	Belt and Road Initiative
BRICS	Brazil, Russia, India, China and South Africa
CEEs	Central and Eastern European countries
CICA	Conference on Interaction and Confidence-Building Measures in Asia
CIS	Commonwealth of Independent States
CPC	Communist Party of China
CPEC	The China-Pakistan Economic Corridor
CSCAP	Council for Security and Cooperation in the Asia Pacific
CSTO	Collective Security Treaty Organization
EAS	East Asia Summit
EAVG	East Asian Vision Group
ECO	Economic Cooperation Organization
EU	European Union
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
IMF	International Monetary Fund
NAFTA	North America Free Trade Agreement
NATO	North Atlantic Treaty Organization
NDB	New Development Bank
NEACD	Northeast Asia Cooperation Dialogue
NED	National Endowment for Democracy

NMD	National Missile Defense
PCA	Permanent Court of Arbitration
PLA	People's Army of Liberation
PRC	People's Republic of China
RATS	Regional Anti-Terrorist Structure
ROC	Republic of China
SCO	Shanghai Cooperation Organization
TTP	Transpacific Trade Partnership
THAAD	Terminal High Altitude Area Defense
TTIP	Transatlantic Trade and Investment Partnership
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNODC	United Nations Office on Drugs and Crime
UNSC	UN Security Council
WTO	World Trade Organization

LIST OF CHARTS, TABLES AND FIGURES

Chart 1	The Evolution of Chinese Foreign Policy in Regional Multilateralism	212
Chart 2	The Hypotheses of China's Approach towards Regional Multilateralism	213
Table 1	China's Trade with Major Partners in 1998, 2007 and 2013	214
Table 2	Top Trading Partners of East Asian States in 1998, 2007 and 2013	214
Figure 1	China and US Trade with BRI Countries and World during 2005-2014	215
Figure 2	China's Outward FDI into BRI Countries and World during 2006-2015	215

CHAPTER ONE

INTRODUCTION: REGIONAL MULTILATERALISM: A NEW PARADIGM FOR CHINA'S FOREIGN POLICY

Introduction

While the balance of global power is shifting from the West to East, the rise of new powers is prompting a fundamental transformation of the international system. China's rise is one of the most prominent events of international relations in the 21st century. Two hundred years ago, Napoleon Bonaparte once said: "China is a sleeping giant. Let her sleep, for when she wakes she will move the world." It seems that Napoleon was quite right.¹ After the decline of the 'Middle Kingdom' in the 19th and 20th century, a rising China has waked up and shaken the world. At present, there is a little doubt that after experiencing rapid growth and development in the past three decades, China has emerged as a global power with increasing prominence. When China's growing power starts to reshape the existing international order, many scholars come to believe that since its foundation in 1949, China has a persistent and coherent grand strategy to gain its great power status and restore its rightful position in the world from the 'century of humiliation'.² But some questions remain unclear: is China a status quo or revisionist power? How can China achieve its peaceful rise in the US-dominated international system? And how does China's rise transform the existing global system and shape the future world order?³

1. David Scott, *China and the International System, 1840-1949: Power, Presence, and Perceptions in a Century of Humiliation* (New York: Suny Press, 2008).

2. Suisheng Zhao, 'Rethinking the Chinese World Order: The Imperial Cycle and the Rise of China,' *Journal of Contemporary China* 24, no. 96 (2015): 961-982.

3. Alastair Iain Johnston, 'Is China a Status Quo Power?,' *International Security* 27, no. 4 (2003): 5-56; John J. Mearsheimer, 'The Gathering Storm: China's Challenge to US Power in Asia,' *The Chinese Journal of International Politics* 3, no. 4 (2010): 381-396; William C. Wohlforth, 'Unipolarity, Status Competition, and Great Power War,' *World Politics* 61, no. 1 (2009): 28-57; Huiyun Feng, 'Is China a Revisionist Power?,' *The Chinese Journal of International Politics* 2, no. 3 (2009): 313-334; G. John Ikenberry, 'The Rise of China and the Future of the West: Can the Liberal System Survive?,' *Foreign Affairs* 87, (2008): 23-37.

After the end of World War II, Westphalian sovereignty and the birth of the modern international system shaped the cornerstone of today's world order and made attainment of a lasting peace. As the neoliberal globalization extraordinarily increased economic interdependence between countries and regions since the end of the Cold War, it is impossible for any rising power to establish its global power status or global 'empire', like the rise of great powers in the 19th century, through territorial and military expansion as well as political domination. The history also tells that power transition stemming from the rise and fall of the great powers often leads to a hegemonic war between established power and rising power.⁴ Thus, it is not surprising that while China's rise is challenging the US-dominated international order, it triggered an intensifying strategic rivalry between Beijing and Washington. This presents Beijing with a true dilemma of how to deal with emerging security challenges and achieve its peaceful rise. In this context, China turned to 'regional multilateralism' in an endeavor to increase its comprehensive national power, manage its cooperative and competitive relations with major powers, and advance its regional and global interests.⁵

Regional multilateralism is driven by a complex mixture of economic, political, and strategic motivations as it reflects the common interests of governments, bureaucracies, and societal actors. Since regional multilateral mechanism facilitates cooperation, coordination and collaboration towards shared interest and objective, it provides a new approach to effectively tackling contemporary problems on a regional level, managing cooperative and competitive relations between small, middle, and great powers, and shaping a new geopolitical landscape in a regional and global context. In particular, regional multilateral cooperation that enhances a nexus of economics, politics and security⁶ offers a way to reshape the balance of power regionally and globally. Since 1967, when the ASEAN was founded to promote regional multilateral cooperation in Southeast Asia, regional multilateralism gained ground in Asia. After the 1997 Asian financial crisis, regional multilateralism

4. Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap?* (Boston: Houghton Mifflin Harcourt, 2017).

5. See Guoguang Wu and Helen Lansdowne, *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2011); Marc Lanteigne, *China and International Institutions Alternate Paths to Global Power* (London: Routledge, 2005).

6. Avery Goldstein and Edward D. Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (Stanford, California: Stanford University Press, 2012).

prevailed and proliferated in Asia and every state almost participated in one or more regional multilateral mechanisms.⁷

Since the 1990s, China has become a major actor in initiating, developing and institutionalizing regional multilateral mechanisms such as the Asia Pacific Economic Cooperation (APEC), the Shanghai Cooperation Organization (SCO), ASEAN Plus Three (APT), ASEAN Plus China, Trilateral Cooperation, and the Belt and Road Initiative (BRI).⁸ During the period from the 1990s to the 2010s, China's involvement in regional multilateral institution has shifted from a desire to deepening regional economic integration in East Asia and a growing need for safeguarding its security interests in Central Asia to a grand strategy for advancing its geopolitical and geostrategic interests in the Eurasian landmass and globally. Today regional multilateralism has been a new paradigm for Chinese foreign policy, since regional multilateral cooperation not only provides a way for Beijing to promote growth, ensure security, build power and influence, but also offers an alternative path to its peaceful rise. Given its rising global role, China's activism in regional multilateralism has attracted considerable attention among scholars and policymakers.

What explains China's growing enthusiasm for regional multilateralism? The present thesis aims to explore the logic of China's engagement with regional multilateral cooperation in East Asia, Central Asia and Eurasia, and the role of regional multilateralism in Chinese foreign policy. To achieve this objective, the first chapter presents the motivation, research questions, hypotheses and the outline of the dissertation. The rest of this chapter is divided into three sections. Section one analyzes the origin, background and evolution of China's foreign policy shifting from bilateralism and multilateralism to regional multilateralism during the 1990s-2010s and highlights China's activism in regional multilateral cooperation in East Asia, Central Asia and Eurasia. Section two underlines the importance of exploring the logic of China's engagement with regional multilateral cooperation and the role of regional multilateralism in international relations and provides the preliminary ideas and arguments by raising the main research questions and hypotheses of thesis.

7. Douglas Webber, 'Two Funerals and a Wedding? The Ups and Downs of Regionalism in East Asia and Asia-Pacific after the Asian Crisis,' *The Pacific Review* 14, no. 3 (2001): 339-372; Peter J. Katzenstein, 'Regionalism and Asia,' *New Political Economy* 5, no. 3 (2000): 353-368.

8. Chien-Peng Chung, 'China's Approaches to the Institutionalization of Regional Multilateralism,' *Journal of Contemporary China* 17, no. 57 (2008): 747-764.

Section three looks into the structure of full dissertation and gives an overview of six individual chapters.

China's turn to regional multilateralism

Over the past decades, China's foreign policy has experienced a dramatic shift from bilateralism and multilateralism to regional multilateralism. The rising role of regional multilateralism in Chinese foreign policy is strongly shaped by a dynamic interaction of domestic and international forces with a combination of economic, political and strategic dimensions. Since the 1990s, China's evolving foreign policy in regional multilateral cooperation has undergone four phases as follows: 1) a passive stance from 1978 to 1991; 2) a positive stance from 1991 to 2001; 3) an active stance from 2001 to 2013; and 4) a proactive stance from 2013 to present. China's activism in regional multilateral cooperation and institutions is not only associated with its changing international role, emerging security challenges, and shifting balance of global power, but also linked to an evolving grand strategy for great power status. This section presents a vivid picture of the origin, background and evolution of China's turn to regional multilateralism.

A passive stance (1978-1991)

China adopted a passive stance towards regional multilateralism during the period from the 1970s until the end of Cold War. In the two decades since its foundation in 1949, the People's Republic of China (PRC) remarkably adhered to bilateralism and unilateralism in its foreign policy during the era of Mao Zedong while engaging in confrontation with two superpowers, the US and Soviet Union.⁹ Chinese leaders thought that the global multilateral institutions established and dominated by the superpower serves as a tool to push for the hegemonism and power politics, dominate the 'Third World',¹⁰ and overthrow the socialist China under the ruling of the

9. Robert S. Ross, *China, the United States, and the Soviet Union: Tripolarity and Policy Making in the Cold War* (London: M.E. Sharpe, 1993); Jian Chen, *Mao's China and the Cold War* (Chapel Hill: University of North Carolina Press, 2010); Klaus Mehnert, 'Soviet-Chinese Relations,' *International Affairs* 35, no. 4 (1959): 417-426.

10. The Three Worlds Theory was developed by Mao Zedong, the main founder and leader of the Communist Party of China (CPC), the People's Liberation Army (PLA) and the People's Republic of China. Mao's theory suggests that the world is economically and politically

Communist Party of China (CPC). Thus, Beijing was actively involved in the Non-Alignment Movement and adopted a non-alignment policy since the 1950s.¹¹ But China began embracing multilateralism after replacing the Republic of China (ROC) to recover its permanent seat at the UN Security Council in 1971.¹² Since then, the UN is the only multilateral organization which China considered as 'legitimate' despite different ideologies and political systems among the members. As the ideology played a vital role in making Chinese foreign policy during the early 1970s, China's return to the UN marked a great victory in its struggle against the American imperialist. Therefore, China maintained a 'pragmatic' position towards multilateralism and its involvement in international affairs and multilateral cooperation was largely inspired by the anti-colonism, anti-hegemonism and anti-imperialism sentiment.

After the end of the Cultural Revolution (1966-76), Chinese leader Deng Xiaoping took power and began reconsidering China's national development strategy. The Third Plenary Session of the CPC, convened in December 1978, signified a fundamental shift of China's domestic and foreign policy. At the Session, Deng Xiaoping stressed that a strategic decision was made to shift the focus of the Party's work from the socialist 'society class struggle' to socialist modernization and the Chinese people should be dedicated and steadfast in the development of national

divided into three worlds: "the US and Soviet Union belong to the first world. The Middle elements, such as Japan, Europe, Canada and Australia belong to the second world. All Asian (except Japan), African and Latin American countries belong to the third world". See Mao Zedong, *Mao Zedong on Diplomacy* (Beijing: Foreign Languages Press, 1998), p. 454; Jiang An, 'Mao Zedong's "Three Worlds" Theory: Political Considerations and Value for the Times,' *Social Sciences in China* 34, no. 1 (2013): 35-57.

11. For example, in 1955, Chinese Premier Zhou Enlai participated in the Bandung conference in support of the newly independent states in Asia and Africa against colonialism and imperialism. Despite its active role in the Non-Alignment Movement of the third world, China did not join this organization as a member state. In addition, China was actually allied with Soviet under the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance, which was signed in 1950 and expired in 1979. See Jayantanuja Bandyopadhyaya, 'The Non-Aligned Movement and International Relations,' *India Quarterly* 33, no. 2 (1977): 137-164.

12. Michael Yahuda, *Towards the End of Isolationism: China's Foreign Policy after Mao* (London: Macmillan Education UK, 1983).

productive forces and socialist modernization.¹³ This event was a preface of a new era for China's reform and opening. While reorienting national development strategy, a priority of China's foreign policy was to reestablish political and diplomatic ties with those Asian states who still remained hostile to Beijing due to support for the communist movements in Southeast Asia during the 1960s and 1970s.¹⁴ In meanwhile, China formally established diplomatic relations with the US in January 1979 in an effort to end Sino-US confrontation and break out of its diplomatic isolation in the international community. Because Chinese leaders realized that improving relations with the US and Asian neighbors was essential for ensuring a peaceful and stable international environment, exploiting trade and investment opportunities, and achieving socialist modernization.

Although regional multilateralism had gained ground in Asia after the creation of the Association of Southeast Asian Nations in 1967,¹⁵ China kept developing its relations with Asian countries at a bilateral basis and adopted a passive stance towards regional multilateral cooperation due to three factors. First, domestic politics shaped China's policy preference. While the ten years of 'Cultural Revolution' engendered lasting economic disorder and political chaos across the nation, Beijing was fully dedicating to restore order from the turmoil in the late 1970s in order to pave the way for embracing the new path of national development. To implement the reform and opening policy towards socialist modernization with Chinese characteristics, China prioritized its transition from a planned economy to socialist market economy throughout the 1980s in all efforts to deepen domestic reforms and promote economic development. When domestic policy goals were given a high priority by Chinese leaders, Beijing did not pay any attention to regional multilateral cooperation during the early stage of reform and opening policy.

Second, as the ideology played a key role in shaping international relations of East Asia during the Cold War, the external factor limited China's foreign policy options. In the era of Cold War, the world was divided into two blocs: the

13. Deng Xiaoping, *Build Socialism with Chinese Characteristics* (Beijing: Foreign Languages Press, 1985).

14. Alice D. Ba, 'China and Asean: Renavigating Relations for a 21st-century Asia,' *Asian Survey* 43, no. 4 (2003): 622-647.

15. Amitav Acharya, 'How Ideas Spread: Whose Norms Matter? Norm Localization and Institutional Change in Asian Regionalism,' *International Organization* 58, no. 2 (2004): 239-275.

Moscow-led communist camp and the Washington-led capitalist camp. Despite its broke ties with Moscow in the 1960s¹⁶ and rapprochement with Washington in the 1970s and 1980s,¹⁷ the red China stayed in the communist camp, whereas the most of Asian countries joined the capitalist camp and maintained close ties with Washington. Even when China normalized diplomatic relations with its Asian neighbors after stopping supporting the communist movements in the region, mutual political trust was still low and fragile during the Cold War. In particular, the establishment of the South East Asia Treaty Organization and succeeded by the ASEAN, was originally motivated by a common desire to form a coalition to counter the expansion of Communism in the region.¹⁸ Given the existing ideological difference, China still remained isolated and marginalized politically in Asia. Moreover, regional multilateralism still stayed at the experimental stage in Europe (European Communities) and Asia (ASEAN),¹⁹ thus the precondition for China's involvement in regional multilateral cooperation was not matured.

Third, China's diplomatic strategy during the Cold War shaped its passive stance towards regional multilateralism. Since the beginning of the Cold War, China pursued an independent foreign policy by adhering to the Five Principles of Peaceful Coexistence and non-alignment policy and refused to participate in any military alliance or bloc.²⁰ In a bipolar international system, except the UN, all types of

16. Lorenz M. Lüthi, *The Sino-Soviet Split: Cold War in the Communist World* (Princeton: Princeton University Press, 2010), p. 1.

17. In February 1972, US President Nixon made a historical visit to Beijing and two countries issued the Shanghai Communiqué that marks a starting of the Sino-American rapprochement. See Yukinori Komine, *Secrecy in US Foreign Policy: Nixon, Kissinger and the Rapprochement with China* (London: Routledge, 2016).

18. Shaun Narine, *Explaining ASEAN: Regionalism in Southeast Asia* (Boulder: Lynne Rienner, 2002); Leszek Buszynski, 'Southeast Asia in the post-Cold War Era: Regionalism and Security,' *Asian Survey* 32, no. 9 (1992): 830-847.

19. Walter Mattli, *The Logic of Regional Integration: Europe and beyond* (Cambridge: Cambridge University Press, 1999); Philomena Murray, 'East Asian Regionalism and EU Studies,' *Journal of European Integration* 32, no. 6 (2010): 597-616; Philomena Murray, 'Comparative Regional Integration in the EU and East Asia: Moving beyond Integration Snobbery,' *International Politics* 47, no. 3-4 (2010): 308-323.

20. For example, China had neither join the Washington-led NATO or the Moscow-led Warsaw Pact during the Cold War. See Jian Chen, *Mao's China and the Cold War* (Chapel Hill: University of North Carolina Press, 2010).

multilateral initiatives either at the global or regional level were directly or indirectly linked to the competition between the two superpowers. Beijing feared that participation in those multilateral organizations could seriously infringe its state sovereignty, which remains the highest principle in Chinese foreign policy, and undermine its non-alignment policy that allowed Beijing to chart an independent foreign policy and maintain a strategic balance between Moscow and Washington. A good example is that when the Asia Pacific Economic Cooperation (APEC) was created in 1989 to promote free trade among the Asia Pacific countries,²¹ China did not join the first regional multilateral organization in the Asia-Pacific region prior the end of Cold War. Because Chinese policymakers feared that these supranational institutions erode state sovereignty.

A positive stance (1991-2001)

After the collapse of Soviet Union, the international system underwent a fundamental shift from bi-polarity to unipolarity and the US became the only superpower. Since the emergence of the unipolar system after the end of Cold War, the neoliberal globalization gained momentum in establishing a liberal international order in which the US played a global leadership role. This also resulted in a readjustment of Chinese foreign policy.²² In 1991, China formally joined the APEC as full member that marks its first step marching towards regional multilateralism. Chinese policymakers perceived that three preconditions were vital to the success of China's modernization process. First, China should accelerate the market-oriented transition and deepen the Reform and Opening policy for promoting domestic growth. Second, China should integrate itself into the world economic system in order to learn advanced experiences and technologies and attract investment from the western countries for catching up with them. Third, while Washington sought to transform the remaining communist

21. The APEC was originally created to promote free trade in the Asia-Pacific region in order to reduce economic tensions between Japan and the US and encourage political transition of the communist regimes in the region. See Hugh Patrick and Peter Drysdale, 'An Asian-Pacific Regional Economic Organization: An Exploratory Concept Paper,' (Washington, DC: US Government Printing Office, July 1979), prepared for the Senate Committee on Foreign Relations by the Congressional Research Service, Library of Congress.

22. Zhao Quansheng, 'Chinese Foreign Policy in the Post-Cold War Era,' *World Affairs* 159, no. 3 (1997): 114-129.

regimes through the US-led globalization,²³ China's APEC membership not only reflected its willingness to 'socialize' and integrate itself into the US-led liberal international order for its domestic agenda, but also to avoid becoming the next 'targeted adversary' of Washington after the Soviet Union.

After becoming a member of APEC, China gradually adopted a positive stance towards regional multilateral cooperation. China joined the Northeast Asia Cooperation Dialogue (NEACD) in 1993 and the ASEAN Regional Forum (ARF) as a founding member in 1994 for promoting regional security cooperation. In 1996, China also joined the Council for Security and Cooperation in the Asia Pacific (CSCAP) as full member that reflected China's growing interests in regional multilateral mechanisms.²⁴ On the one hand, after the 1989 Tiananmen Event, Beijing suffered economic sanction and diplomatic isolation and thus aspired to diversify its relations with Asian neighbours by actively participating in regional multilateral fora.²⁵ On the other hand, since Beijing regarded East Asia as its primary geo-economic and geopolitical focus after its opening-up in the 1980s, developing good relations with its Asian neighbours bilaterally and multilaterally was given a high priority by Chinese leaders. Accordingly, pursuing 'good neighbour policy' could not only boost its political and diplomatic relations with East Asian countries but also bolster its economic development.²⁶ Especially while most of Asian countries remained the allies and partners of Washington, maintaining a good relationship with its Asian neighbours was essential for Beijing to avoid being isolated and marginalized and improve strategic environment in its periphery.

23. Ralph A. Cossa, 'US Approaches to Multilateral Security and Economic Organizations in the Asia-Pacific,' *US Hegemony & International Organizations* (2003): 193-215; Amitav Acharya and E. Goh, *Reassessing Security Cooperation in the Asia-Pacific: Competition, Congruence, and Transformation* (Cambridge, MA: The MIT Press, 2007).

24. Taek Goo Kang, 'Assessing China's Approach to Regional Multilateral Security Cooperation,' *Australian Journal of International Affairs* 64, no. 4 (2010): 406-431; Cheng-Chwee Kuik, 'Multilateralism in China's ASEAN Policy: its Evolution, Characteristics, and Aspiration,' *Contemporary Southeast Asia* 27, no. 1 (2005): 102-122.

25. Joseph Fewsmith, *China since Tiananmen: The Politics of Transition* (Cambridge: Cambridge University Press, 2001).

26. Xiaoming Zhang, 'The Rise of China and Community Building in East Asia,' *Asian Perspective* 30, no. 3 (2006): 129-148.

When the Asian financial crisis erupted in 1997, most Asian economies that were loosely interconnected within the East Asian production network suffered serious damage. The existing multilateral institutions such as the World Bank and the IMF failed to provide either financial assistance or alternative solutions to countering the crisis. After China refused to depreciate the RMB, it successfully prevented proliferation and spread of currency crises in the region. Given its rising economic weight, Beijing's move not only stabilized the East Asian economy but also accelerated recovery of regional growth that was highly recognized by other Asian countries. The leaders of East Asian countries including China came to realize that there was a necessity for East Asian countries to establish a regional multilateral mechanism for promoting regional cooperation and resisting financial volatility.²⁷ In 1997, the ASEAN plus Three process, including the ASEAN and China, Japan, and South Korea, was formally launched to institutionalize regional multilateral cooperation in East Asia. The APT was the cornerstone of promoting regional economic integration towards building an East Asian community.²⁸ Since then, regional multilateral initiatives began to proliferate in Asia.²⁹

It is undisputed that the 1997 Asian financial crisis served as a catalyst for Beijing to firmly embrace regional multilateralism. On the sidelines of the ASEAN Plus Three process, China launched the China-ASEAN summit (ASEAN plus One) to boost its ties with Southeast Asian countries. Also in 1999, the leaders of China, Japan and South Korea attended a trilateral meeting for fostering cooperation in Northeast Asia that laid a foundation as the first step for establishing a Trilateral Cooperation mechanism.³⁰ In 2001, Chinese Premier Zhu Rongji first proposed

27. John Ravenhill, 'A Three Bloc World? The New East Asian Regionalism,' *International Relations of the Asia-Pacific* 2, no. 2 (2002): 167-195.

28. Yunling Zhang, 'Emerging New East Asian Regionalism,' *Asia Pacific Review* 12, no. 1 (2005): 55-63; Richard Stubbs, 'ASEAN Plus Three: Emerging East Asian Regionalism?,' *Asian Survey* 42, no. 3 (2002): 440-455; Amitav Acharya, 'Ideas, Identity, and Institution-building: from the 'ASEAN Way' to the 'Asia-Pacific Way?,' *The Pacific Review* 10, no. 3 (1997): 319-346; Baogang He, 'East Asian Ideas of Regionalism: A Normative Critique,' *Australian Journal of International Affairs* 58, no.1 (2004): 105-125.

29. John Ravenhill, 'The 'New East Asian Regionalism': A Political Domino Effect,' *Review of International Political Economy* 17, no. 2 (2010): 178-208.

30. In 1999, the Japanese Prime Minister Keizō Obuchi proposed a meeting of leaders of the three countries on the sidelines of the ASEAN plus Three Summit. The first Trilateral

establishing a China-ASEAN free trade area for promoting trade and growth. Beijing was convinced that while the globalization process prompts increasing economic interdependence among states, regional multilateral cooperation provides a vital mechanism not merely to counter the external risks but also to promote regional economic integration in East Asia that serves common interests of the involved parties. For Beijing, regional economic integration promises a new trade agenda for boosting its export growth and stimulating the development of its industrial sectors. Because regional economic integration not only expands market access but also increases productivity and competitiveness. For other Asian countries, China not only remains a huge export market but also the most attractive destination of FDI given its low labour costs. More importantly, regional economic integration can further consolidate the East Asian production network, promoting regional growth and prosperity.

As a matter of fact, China's growing engagement in regional multilateral initiatives was motivated by an effort to institutionalize its periphery strategy, since regional multilateral mechanism provides a venue to combine economic, political and strategic dimensions. First, deepening and broadening regional multilateral cooperation was essential for Beijing to fully integrate into the East Asian production network, increase market access and promote export growth for its sustaining economic growth in the incoming three decades.³¹ Second, Beijing sought to build political trust and friendly relationship with its Asian neighbours through regional multilateral mechanism, calming fears and suspicions of those Asian neighbours and reassuring them of the peaceful nature of its rising power given its past support for communism revolution in the region.³² For instance, Beijing's participation in regional multilateral institutions allowed it not only to block any agenda detrimental to its interests but also reaffirm its commitments to regional peace and stability. Third, regional multilateralism provided a way for Beijing to preserve its national security and create a stable and favourable international environment for its modernization

Summit was formally held in 2008 in Fukuoka. The Trilateral Cooperation Secretariat was established in 2011 for promoting cooperation in Northeast Asia.

31. Yang Jiang, 'China's Pursuit of Free Trade Agreements: Is China Exceptional?' *Review of International Political Economy* 17, no. 2 (2010): 238-261.

32. David Shambaugh, 'China Engages Asia: Reshaping the Regional Order,' *International Security* 29, no. 3 (2005): 64-99.

process.³³ Among those, the economic factor was the primary driving force for Beijing's embrace of regional multilateralism during this period.

A proactive stance (2001-2013)

Since the beginning of 2000s when Chinese economy started to take off, Beijing took a proactive attitude towards regional multilateralism. In April 1996, the leaders of China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan created the Shanghai Five mechanism in order to enhance cooperation on the demarcation of boundaries, confidence-building measure, and regional security.³⁴ In June 2001, China, Russia and five Central Asian states formally founded the Shanghai Cooperation Organization to institutionalize regional multilateral cooperation in Central Asia after admitting Uzbekistan as full member. During the Saint-Petersburg summit in June 2002, the Shanghai Cooperation Organization Charter that defines the structure, purpose and tasks of the organization was approved by the six SCO members. By expanding membership and enlarging the scope of cooperation, the SCO has become

33. Yunling Zhang and Shiping Tang, 'China's Regional Strategy,' *Power Shift: China and Asia's New Dynamics* (2005), p. 48.

34. The Shanghai five was only a very loose grouping with limited scope of cooperation, limited degree of institutionalization, and limited influence. China's involvement in Shanghai five was also limited to problem-solutions such as territorial disputes and reduction of military deployment in the border area among five states during the 1996-2000 when Beijing was keen to woo Washington for approving China's accession to the WTO and mitigating strategic pressure in East Asia after Taiwan Strait crisis. In attempting to join the NATO and integrate into Europe, Moscow also adopted a very pro-western foreign policy during the era of Yeltsin until Putin took power in 2000. The creation of SCO happened to coincide pretty nearly with Washington's invasion into Afghanistan and increased military presence in Central Asia. That was a vital catalyst for Beijing and Moscow to intensify efforts to institutionalize regional multilateral cooperation within the SCO. Both Beijing and Moscow, on the one side, supported Washington's anti-terror war in a moral sense and on the other side, strengthened cooperation within the SCO to counter the US's expanding influence in Central Asia. Thus, the Shanghai five is only included as a part of the historical background of the SCO. See Matthew Oresman, 'Catching the Shanghai Spirit,' *Foreign Policy* 142, (2004): 78-79; Dmitri Trofimov, 'Shanghai Process: From the Five 'to the Cooperation Organization. Summing up the 1990s and Looking Ahead,' *Central Asia and the Caucasus* 2, no. 14 (2002): 86-92.

the most influential regional multilateral organization across the region. China played a leading role in initiating, promoting and institutionalizing regional multilateral cooperation³⁵ as the SCO offers a vital mechanism to advance its interests in Central Asia and manage its cooperation and competitive relationship with major powers: Russia and the US.

Xinjiang issue is the primary factor for China to promote regional multilateral cooperation within the SCO. Since the 1990s, Xinjiang, sharing a long boundary with the former Soviet republic states, suffered the flourishing of 'Three Evils', namely extremism, separatism and terrorism, that posed a serious threat to the border security and political stability in the western frontier of China.³⁶ In particular, separatist and terrorist activities conducted by the Turkic-speaking Muslim Uighurs in Xinjiang, who struggle for Xinjiang interdependence, endangered stability and security of Xinjiang. As the three evils have a close linkage with Pan-Turkic separatism, Islamic extremism and terrorism across the border of Central Asian states, they require a multilateral mechanism to strengthen cooperation on combating them. After the launching of the SCO, the Regional Anti-Terrorist Structure (RATS) was established in Tashkent to coordinate multilateral cooperation on counterterrorism, intelligence sharing and regional security. Multilateral cooperation within the SCO already expanded from traditional security to non-traditional security, such as cross-border crimes and drug trafficking, mitigating the threats of three evils and fostering security and stability in the western frontier of China.

The energy factor also plays a crucial role in China's active attitude towards the SCO.³⁷ Central Asia is one of the richest areas of energy resources in the world. As one of the world's largest energy consumer, China desires to consolidate energy ties with Central Asian states. In 1997, China and Kazakhstan signed an agreement to

35. Chien-Peng Chung, 'China and the Institutionalization of the Shanghai Cooperation Organization,' *Problems of Post-Communism* 53, no. 5 (2006): 3-14; Flemming Splidsboel Hansen, 'The Shanghai Co-operation Organisation,' *Asian Affairs* 39, no. 2 (2008): 217-232; Jing-Dong Yuan, 'China's Role in Establishing and Building the Shanghai Cooperation Organization (SCO),' *Journal of Contemporary China* 19, no. 67 (2010): 855-869.

36. Colin Mackerras, 'Xinjiang at the Turn of the Century: The Causes of Separatism,' *Central Asian Survey* 20, no. 3 (2001): 289-303; Ariel Cohen, *The Dragon Looks West: China and the Shanghai Cooperation Organization* (Washington D.C.: Heritage Foundation, 2006).

37. Thrassy N. Marketos, *China's Energy Geopolitics: The Shanghai Cooperation Organization and Central Asia* (London: Routledge, 2008).

construct the Kazakhstan-China oil pipeline running from Kazakhstan's Caspian shore to Xinjiang. The construction of the pipeline was completed in May 2006 and became operational in September 2009.³⁸ During Chinese President Hu Jintao's visit to Kazakhstan in June 2003, both countries agreed to construct the Kazakhstan-China gas pipeline along the Kazakhstan-China oil pipeline. In April 2007, China and Uzbekistan signed an agreement to construct the Uzbekistan section of the China-Central Asian gas pipeline. Three months later, Turkmenistan announced to join the pipeline project that connects Xinjiang and Kazakhstan, Turkmenistan and Uzbekistan. The whole gas pipeline became operational in December 2009. While rapid economic growth drives China's mounting need for energy, Chinese-Central Asia energy cooperation has strategic importance for Beijing to diversify its energy suppliers and routes, reduce its dependence on energy imports from the Persian Gulf and increase its energy security.³⁹

China's approach towards the SCO is also driven by geopolitical factors. Central Asia is geographically located at the heart of the Eurasian landmass that makes it a geopolitical battlefield of the Great Game. After the end of Cold War, there existed a vacuum of power in Central Asia when Russia and former Soviet republics suffered either economic collapse or social disorder and political chaos. But China was prudent to expand its influence in Russia's traditional sphere of influence as Beijing saw Moscow as a strategic ally to counter the American hegemony in the aftermath of the Cold War.⁴⁰ When the US launched an anti-terror war in Afghanistan against the Taliban regime after the attack of 11 September 2001, Washington greatly increased its military presence in Central Asia. The US not only deployed a number of troops in Central Asia, but also gained a permit to use the air bases of Karshi-Khanabad in Uzbekistan and Manas in Kyrgyzstan. It was the first time for Washington-led NATO to expand its military presence surrounding the boundary of China that caused serious concerns in Beijing. Moscow also regarded the NATO's military presence in Central Asia as a threat to its security interests even if

38. Xuanli Liao, 'Central Asia and China's Energy Security,' *China and Eurasia Forum Quarterly* 4, no. 4 (2006): 61-69.

39. Kevin Sheives, 'China Turns West: Beijing's Contemporary Strategy towards Central Asia,' *Pacific Affairs* 79, no. 2 (2006): 205-224; Daojiong Zha, 'China's Energy Security: Domestic and International Issues,' *Survival* 48, no. 1 (2006): 179-190.

40. J. Richard Walsh, 'China and the New Geopolitics of Central Asia,' *Asian Survey* 33, no. 3 (1993): 272-284; John W. Garver, 'The Chinese Communist Party and the Collapse of Soviet Union,' *The China Quarterly* 133, (1993): 96-110.

both Beijing and Moscow supported Washington's anti-terror war. In this respect, the SCO serves as a key platform for Beijing and Moscow not merely to enhance multilateral cooperation within the SCO to counter the spreading of terrorism in Afghanistan in Central Asia,⁴¹ but also forge a stronger strategic alliance to resist Washington's expansion in the region.⁴²

China also seeks to promote regional economic integration through the SCO. At the Bishkek summit in September 2003, the SCO member states signed a framework agreement to enhance economic cooperation in the SCO. Chinese premier Wen Jiabao proposed establishing a free trade area within the SCO but it was not fully supported by other members. Despite that, Beijing has become the largest trading partners and investor of Central Asian states that greatly expanded its influence across the region.⁴³ Since the foundation of SCO in 2001, the scope of multilateral cooperation expanded from security to military, defense, foreign affairs, economic, cultural, banking areas. And the SCO already established relations with other international organizations such as the United Nations (UN) and the Commonwealth of Independent States (CIS).⁴⁴ While Pakistan, India, Iran, Mongolia, Belarus Afghanistan subsequently received observer status in the SCO, Armenia, Azerbaijan Cambodia, Nepal, Sri Lanka, Turkey were granted dialogue partner status. Among those, Turkey is a member of NATO. At the historic Astana summit in June 2017,

41. Jyotsna Bakshi, 'Shanghai Co-operation Organisation (SCO) before and after September 11,' *Strategic Analysis* 26, no. 2 (2002): 265-276.

42. Stephen Aris, 'The Shanghai Cooperation Organisation: 'Tackling the Three Evils', A Regional Response to Non-traditional Security Challenges or an Anti-Western Bloc?,' *Europe-Asia Studies* 61, no. 3 (2009): 457-482; Chien-peng Chung, 'The Shanghai Co-operation Organization: China's Changing Influence in Central Asia,' *The China Quarterly* 180, (2004): 989-1009.

43. Pan Guang, 'China and Central Asia: Charting a New Course for Regional Development', *China Brief* 7, no. 3 (2007),

http://www.jamestown.org/china_brief/article.php?articleid=2373267.

44. The SCO established relations with the United Nations (UN) in 2004, the Commonwealth of Independent States (CIS) in 2005, Association of Southeast Asian Nations (ASEAN) in 2005, the Collective Security Treaty Organization (CSTO) in 2007, the Economic Cooperation Organization (ECO) in 2007, the United Nations Office on Drugs and Crime (UNODC) in 2011, the Conference on Interaction and Confidence-Building Measures in Asia (CICA) in 2014, and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in 2015.

India and Pakistan have officially joined the SCO as full members. The expanded membership allows Beijing to increase its influence from Central Asia to South Asia, West Asia and Middle East, advancing its strategic interests in a wider context.

A proactive stance (2013-present)

Having experienced rapid economic growth over three decades from the 1980s to the 2010s, China has emerged as a regional and global power. When China's global profile is changing dramatically, Beijing has adopted a proactive stance towards regional multilateralism. In September 2013, Chinese President Xi Jinping proposed establishing the 'Silk Road Economic Belt' during his visit to Kazakhstan. When addressing to the Indonesian Parliament during his visit to Jakarta in October 2013, President Xi proposed the 21st Century Maritime Silk Road. The two proposals are collectively termed as the Belt and Road Initiative. One month later, the BRI was formally put into the Decision concerning Comprehensively Deepening the Reform which was approved by Chinese leadership during the third Plenum of the 18th Central Committee of the Communist Party of China in Beijing.⁴⁵ Obviously, the BRI has been given a top priority in Chinese foreign policy since its inception. Regional multilateralism has become a new paradigm for Chinese foreign policy as the institutionalization of regional multilateral cooperation provides an innovative approach for Beijing to advance its regional and global interests.

Geoeconomic factors are the primary driving force for the BRI. Since the 1980s, the eastern coastal regions have become the most dynamic area of Chinese economy due to their geographical advantage and facilitated access to resources and regional markets. When labor, capital and resources moved to the eastern regions over time, the landlocked western regions remained underdeveloped.⁴⁶ The increasing imbalance of regional development posed a great challenge to the sustainability of economic growth and social stability in China. Moreover, China launched a 'Go out' strategy since 1999 to promote overseas investment of Chinese firms and increase its global economic presence, but it only achieved limited success due to the lack of a

45. The People's Net, 'Decision of the Central Committee of the Communist Party of China on Some Major Issues Concerning Comprehensively Deepening the Reform,' *The People's Net*, 29 January 2014, <http://en.people.cn/90785/8525422.html>.

46. Yunling Zhang, 'One Belt, One Road: A Chinese View,' *Global Asia* 10, no. 3 (2005): 8-12.

coherent strategy at a national level.⁴⁷ Also since 2012, Chinese economy underwent a dramatic fall because of global recession while suffering serious industrial overcapacity due to shrinking global demand. This marked the most serious economic challenges facing China in the past three decades. In order to resolve these problems, China sought to shape a mega geoeconomic agenda to promote development of underdeveloped western regions, boost trade and investment across Eurasia, tackle industrial overcapacity, and revive its sluggish growth by establishing the BRI and exploring new markets in Asia, Africa and Europe.

The BRI is shaped by geopolitical factors. Since the 1980s, the periphery diplomacy is at the core of Chinese foreign policy. At the October 2013 Work Forum on Foreign Affairs,⁴⁸ President Xi stressed the importance of periphery diplomacy in strengthening relations with the neighboring countries on the basis of intimacy, honesty, benefaction, and inclusiveness. The BRI that enhances regional multilateral cooperation in Eurasia offers a way for Beijing to ‘institutionalize’ its periphery strategy. In pursuing the common development through a new model of win-win cooperation, China’s endeavor to broaden economic relations with the BRI countries not merely deepens political ties with those Eurasian countries and ensures security and stability surrounding its periphery, but also enables Beijing to translate its economic power into political power and expand its geopolitical influence across the landmass. Historically, the ancient Silk Road connected the Chinese and Roman empires through Mesopotamia and Central Asia had considerably spread the Chinese civilization to the rest of world through trade and cultural exchanges during the 3rd – 15th century BC.⁴⁹ The BRI, a modern vision for ancient Silk Road, demonstrated Beijing’s aspiration not only to reaffirm its geopolitical interests in the heartland of the world, but also to recover the glorious moment of the ‘Middle Kingdom’ and regain its position in the world.

China’s approach towards the BRI is shaped by geostrategic factors. When China’s growing power is reshaping the international relations of East Asia, its rising clout is perceived by Washington as a great challenge to its dominance in the region.

47. Yiping Huang, ‘Understanding China’s Belt & Road Initiative: Motivation, Framework and Assessment,’ *China Economic Review* 40 (2016): 314-321.

48. Ministry of Foreign Affairs, ‘The Central Conference on Work Relating to Foreign Affairs was Held in Beijing,’ *Ministry of Foreign Affairs of China*, 29 November 2014, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1215680.shtml.

49. Valerie Hansen, *The Silk Road: A New History* (Oxford: Oxford University Press, 2012).

After Obama took office in 2009, Washington devised a ‘Pivot to Asia’ to reaffirm its strategic interests in Asia and contain the rise of China. This policy not only limited Beijing’s ability to project power in the region but also seriously undermined its security environment. The substance of such a pivot is to constrain Beijing’s ambition for regional hegemony and to preserve Washington’s preeminence in East Asia. In this context, the BRI can be a ‘Pivot to Europe’ strategy for Beijing not merely to counterbalance the ‘Pivot to Asia’ and avoid a direct confrontation with Washington in East Asia, but also a geostrategic imperative to expand its influence from East Asia to other parts of Eurasia.⁵⁰ In an effort to establish an infrastructure web of ports, roadways, railways and power grids and energy pipelines along the Silk Road and promote the interconnectivity of Asian, European and African continents, Beijing seeks to build a network of global partnership with all the BRI countries for enhancing its economic and political presence across the continent and expanding its strategic hinterland. In particular, the sea-based Silk Road allows Beijing to transform from a continental power to a strong maritime power and undermine American maritime dominance in the Indo-Pacific region.⁵¹

The BRI is a new grand strategy for Beijing to promote its great power status and achieve its peaceful rise.⁵² Since Xi Jinping took power in 2012, Chinese foreign policy experienced a significant shift from the ‘Keeping a low profile’ to ‘Striving for achievements’.⁵³ In his article on Xi Jinping’s Thought on Diplomacy, China’s State Councilor Yang Jiechi mentioned the strategic goals for China’s external work in a new era: “General Secretary Xi Jinping pointed out in explicit terms that we are closer

50. Theresa Fallon, ‘The New Silk Road: Xi Jinping’s Grand Strategy for Eurasia,’ *American Foreign Policy Interests* 37, no. 3 (2015): 140-147; Theresa Fallon, ‘China’s Pivot to Europe,’ *American Foreign Policy Interests* 36, no. 3 (2014): 175-182.

51. Ashley J. Tellis, ‘Protecting American Primacy in the Indo-Pacific,’ *Carnegie Endowment for International Peace*, 25 April 2017, <http://carnegieendowment.org/2017/04/25/protecting-american-primacy-in-indo-pacific-pub-68754>.

52. Peter Ferdinand, ‘Westward ho—the China Dream and ‘One Belt, One Road’: Chinese Foreign Policy under Xi Jinping,’ *International Affairs* 92, no. 4 (2016): 941-957; Yong Wang, ‘Offensive for Defensive: The Belt and Road Initiative and China’s New Grand Strategy,’ *The Pacific Review* 29, no. 3 (2016): 455-463.

53. Xuetong Yan, ‘From Keeping a Low Profile to Striving for Achievement,’ *The Chinese Journal of International Politics* 7, no. 2 (2014): 153-184; Nien-chung Chang-Liao, ‘China’s New Foreign Policy under Xi Jinping,’ *Asian Security* 12, no. 2 (2016): 82-91.

than ever to the center of the global stage, that we are closer than ever to fulfilling the Chinese dream of national renewal and that we are more confident and able than ever to realize this goal”.⁵⁴ It is not surprisingly that while emerging as a global force, China desires to assume a more prominent role in regional and global affairs. To achieve this goal, China has been increasingly involving in multilateral diplomacy at regional and global levels in all efforts to build a global network of partnership and improve global governance system.⁵⁵ Professor Yang Baoyun of Thailand's Thammasat University points out that: “China seeks to reinforce its role in strengthening international cooperation, maintaining global security and building a fairer and more reasonable international order.”⁵⁶ The BRI proposed by President Xi can be a strategic maneuver to advance China’s global ambition.

Research questions and hypotheses

Regional multilateralism is far from a new phenomenon in international relations. Although there exists extensive literature on the study of regional multilateralism in Asia, most of the research explored the shape and substance of regional multilateralism in Asia merely from a political or economic perspective that has limited explanatory power for two reasons. First, although the market-driven globalization is the primary driving force for the development of regional multilateralism,⁵⁷ economic motivation fails to fully explain the proliferation of regional multilateral initiatives in Asia as it neglects the security dimension. Second, since regional multilateral cooperation involves not only economic and political but

54. Yang Jiechi, ‘Study and Implement General Secretary Xi Jinping's Thought on Diplomacy in a Deep-going Way and Keep Writing New Chapters of Major-Country Diplomacy with Distinctive Chinese Features,’ *Ministry of Foreign Affairs of China*, 17 July 2017, http://www.fmprc.gov.cn/mfa_eng/wjbxw/t1478497.shtml.

55. Yang Jiechi, ‘Study and Implement General Secretary Xi Jinping's Thought on Diplomacy in a Deep-going Way and Keep Writing New Chapters of Major-Country Diplomacy with Distinctive Chinese Features,’ *Ministry of Foreign Affairs of China*, 17 July 2017, http://www.fmprc.gov.cn/mfa_eng/wjbxw/t1478497.shtml.

56. Xinhua News Agency, ‘Xinhua Insight: China Comes to the Fore in Multilateral Diplomacy,’ Xinhua News Agency, 3 October 2016, http://news.xinhuanet.com/english/2016-10/03/c_135729956.htm.

57. Richard Stubbs, ‘ASEAN Plus Three: Emerging East Asian Regionalism?’ *Asian Survey* 42, no. 3 (2002): 440-455.

also security factors,⁵⁸ it is not clear whether they could serve as either a catalyst or obstacle to regional multilateral process in Asia, and how they could influence the formulation of a country's foreign policy. In this dissertation, it argues that regional multilateralism is a complex process to collectivize interests, demand and autonomy of all the regional actors.⁵⁹ And the dynamic interactions of states inside and outside institutions can shape the international relations regionally and globally and affect the country's foreign policy behavior.

To further develop this area of study empirically and theoretically, the present thesis tries to make a contribution to the literatures on Chinese foreign policy and the role of regional multilateralism in international relations by exploring the logic of China's increasing engagement with regional multilateralism, and by providing new insight into how ideas, interests, and institutions influence the country's foreign policy behavior and reshape the international relations between states inside and outside regional multilateral institutions. The importance of studying the logic of China's activism in regional multilateral cooperation and the role of regional multilateralism in its foreign policy can be grasped by China's growing role in global affairs and its implications for a new world order. In order to establish a research framework, this section raises the main research questions and provides some preliminary ideas and arguments to understanding the logic of China's growing enthusiasm for regional multilateralism in East Asia, Central Asia and Eurasia.

Research questions

Chart 1 illustrates the evolution of Chinese foreign policy in regional multilateralism during the period from 1978 to present.⁶⁰ It is observed that China has become increasingly active in establishing, developing and institutionalizing regional multilateral cooperation in the surrounding regions. While China's power is

58. Avery Goldstein and Edward D. Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (Stanford, California: Stanford University Press, 2012).

59. Julie Gilson, 'Complex Regional Multilateralism: 'Strategising' Japan's Responses to Southeast Asia,' *The Pacific Review* 17, no.1 (2004): 71-94.

60. In this chapter, the category of China's activism in regional multilateralism as well as the classification of four periods are mainly based on the scope of cooperation, geographic coverage, degree of institutionalization of regional multilateral cooperation, and China's growing role in regional multilateral settings.

continuing to grow, its foreign policy towards regional multilateralism also shifted from a passive stance to a positive, active and proactive stance in the past three decades. At the same time, the geographical scope of China's involvement in regional multilateral cooperation also expanded from East Asia to Central Asia and the Eurasian landmass. It means that China's rising power is closely correlated to its growing engagement with regional multilateral cooperation through which China seeks to advance its varied national interests. In essence, China's activism in regional multilateralism is strongly shaped by a synthesis of domestic, regional and global factors involving various geo-economic, geopolitical and geostrategic interests.

In the first phase, China adopted a passive stance towards regional multilateral cooperation during the Cold War when the country was fully dedicated to handle domestic problems at the early stage of reform and opening policy, including recovering from the political turbulence of the 'Cultural Revolution' and transitioning from a planned economy to market economy. The ideological 'struggle' between the communist and capitalist blocs and China's 'isolationist' foreign policy during the Cold War considerably shaped China's prudent attitude towards regional multilateral cooperation. With its fear of the potential erosion of the state sovereignty and autonomy, Beijing consistently adhered to a Non-alignment policy and rejected to join any forms of multilateral organizations dominated by Washington and Moscow. In addition, China was considered an autocracy and long isolated by the international community diplomatically and politically. Accordingly, China developed its foreign relations with the world at a bilateral level.

In the second phase, China adopted a positive stance towards regional multilateralism during the 1991-2001 and participated in various multilateral fora such as the APEC, ASEAN plus three, ASEAN plus China, and Trilateral Cooperation. Chinese policymakers believed that the success of 'four modernizations' lies in two main preconditions: establishment of market economic system and integration into the US-dominated global system. As China was only a regional power with limited global interests, East Asia was given a strategic priority in its foreign policy agenda. Thus, China strived to integrate self into the regional and world economic system to boost domestic reforms and economic growth by proactively participating in regional multilateral cooperation and institutions in East Asia. During this period, the economic motivation played a central role in shaping China's positive stance towards regional multilateralism as it enabled Beijing to increase market access,

promote trade and investment and deepen regional economic cooperation and integration.

In the third phase, China adopted an active stance towards regional multilateralism during the 2001-2013 and created the first regional multilateral organization, namely the SCO. For a long time, East Asia was given a high priority in China's periphery strategy to establish its dominant role in the region. When China's power grew dramatically since the early 2000s, the country intended to advance its strategic interests in a wider context and expand power and influence in its periphery by promoting regional multilateral cooperation. Given the strategic importance of Central Asia, the institutionalization of regional multilateral cooperation within the SCO not only helps Beijing to combat the 'three evil' and ensure the border security, but also increase market access, diversify energy supplies and expand its power and influence from East Asia to Central Asia. With its growing economic and military power, the SCO is considered to be the first attempt of Beijing to take its leadership role in multilateral institution.

In the fourth phase, China adopted a proactive stance towards regional multilateralism since the beginning of early 2010s and initiated the BRI and the AIIB.⁶¹ Since 2013, China has replaced the US's position as the world's largest economy and become the largest partner of all Asian countries.⁶² While China's rising power continues to grow, the country aspires to play a greater role in international affairs. After Chinese foreign policy underwent a dramatic shift from the 'Keeping a low profile' to 'Striving for achievements' in the era of Xi Jinping, establishing the BRI and AIIB is part of China's efforts not only to expand its power and influence in Eurasia and globally, but also to enhance the legitimacy of its rising power and strengthen its global leadership role. Especially when the world order is experiencing a dramatic change, the BRI is a new grand strategy for Beijing to regain

61. The proposal for the creation of the AIIB was first made by Zheng Xinli, vice-chairman of the China Center for International Economic Exchanges, at the 2009 Boao Forum and was formally announced by Chinese President Xi Jinping during his state visit to Indonesia in October 2013. See Mike Callaghan and Paul Hubbard, 'The Asian Infrastructure Investment Bank: Multilateralism on the Silk Road,' *China Economic Journal* 9, no. 2 (2016): 116-139.

62. According to the statistics of the World Bank, China's GDP at PPP amounted to \$16.788 trillion in 2013 and replaced the US's position (\$16.692 trillion) as the world's largest economy. See the database of the World Bank,

<https://data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD?locations=CN-US-JP>.

its great power status and restore its rightful place in the world, achieving its peaceful rise.

The above analysis suggests that China's involvement in regional multilateralism is an ongoing process with increasing intensity and velocity as China's power continues to grow economically, politically and militarily. Regional multilateralism has been a new paradigm for Chinese foreign policy. Such a change of Chinese foreign policy has attracted global attention among scholars and policymakers. What explains China's growing activism in regional multilateralism? What is the role of regional multilateral institutions in Chinese foreign policy? Can regional multilateralism be conducive to China's peaceful rise? Building on the international relations theories, this dissertation will address three main questions:

(1) What are the motivations and calculations behind China's evolving foreign policy towards regional multilateralism in East Asia, Central Asia and Eurasia?

(2) What are the relevance and significance of regional multilateralism in managing the cooperative and competitive relationship between China and other major powers and its peaceful rise?

(3) What are the success and limits of China's embrace of regional multilateralism in achieving its key foreign policy objectives?

Research hypotheses

The rising role of regional multilateralism in Chinese foreign policy has triggered a widespread debate among scholars and policymakers. In addressing the above questions, the main purpose of this dissertation is to explore the logic of China's growing engagement with regional multilateral cooperation in East Asia, Central Asia and Eurasia from a perspective of International Relations by conducting three case studies involving the ASEAN Plus Three mechanism (APT), the Shanghai Cooperation Organization (SCO) and the Belt and Road Initiative (BRI). In particular, this work aims to shed some light on how ideas, interests and institutions affect the country's foreign policy behavior and reshape the international relations between states inside and outside regional multilateral institutions. To achieve these objectives, this section provides some preliminary ideas and arguments on explaining China's

approaches towards regional multilateralism in East Asia, Central Asia and Eurasia that will be further examined in the three individual chapters devoted to case studies. This research intends to offer a depth and breadth of understanding of the role of regional multilateralism in international relations, particularly in China's foreign policy.

Case I: China's approach towards the APT

In East Asia, China has become a major actor in regional multilateral institutions since the early 1990s. Prior to the 1997 Asian financial crisis, China has participated in various regional multilateral fora such as the Asian Pacific Economic Cooperation in 1991, the Northeast Asia Cooperation Dialogue (NEACD) in 1993, the ASEAN Regional Forum (ARF) in 1994, and the Council for Security and Cooperation in the Asia Pacific (CSCAP) in 1996. After the 1997 Asian financial crisis, China actively engaged in regional multilateral mechanisms such as the ASEAN Plus Three process in 1997, ASEAN Plus China in 1997, Trilateral Cooperation in 1998, and East Asian Summit in 2005. The APT process is a new East Asian regionalism driven not only by common demand and interest of East Asian countries to counter their vulnerabilities to external financial risk and shocks and the consciousness to build an East Asian identity, but also by a reactive strategy to establish a regional multilateral mechanism against other regional blocs such as the European Union (EU) and the North America Free Trade Agreement (NAFTA).⁶³

After the international system underwent a shift from bipolarity to unipolarity at the end of the Cold War, the wave of globalization and trade liberalization created today's liberal international economic order based on the 'Washington Consensus'. Such a transformation of the global system had resulted in a change of China's foreign policy from bilateralism and multilateralism to regional multilateralism. While regional multilateral cooperation in East Asia became more institutionalized over time, China adopted an active attitude towards deepening and broadening regional multilateral cooperation in various domains. It was widely believed that China's activism in regional multilateralism in East Asia is driven by a strong desire to integrate itself into the regional and global economy, create a peaceful and

63 . Deepak Nair, 'Regionalism in the Asia Pacific/East Asia: A Frustrated Regionalism?', *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 31, no. 1 (2009): 118.

favourable international environment, and accelerate domestic reforms, economic growth and modernization process.⁶⁴ But it is not a full story. In essence, China's growing engagement in regional multilateral cooperation serves as a means to manage its complicated relations with Washington and other Asian countries as its rising power is transforming the existing order and creating a new power structure in East Asia⁶⁵ that has caused anxiety, fear and mistrust.

Case I: Preliminary arguments

After reviewing the existing literature on regional multilateralism and highlighting its theoretical foundations in chapter two, chapter three uses the concept of institutional balancing to address the following questions: what are the motivations and calculations of China's approach towards regional multilateralism in East Asia? How does China reshape the international relations of East Asia by leveraging asymmetric economic power? How does China advance its geo-economic, geopolitical and geostrategic interests in East Asia through a regional multilateral approach? How is regional multilateral cooperation strategically and tactically used by Beijing as a vehicle of institutional balancing to undermine the US primacy without causing a hegemonic war? What are the success and limits of China's use of regional multilateralism as a tool to advance its strategic interests in East Asia and manage its cooperative and competitive relationship with Washington and its Asian neighbors?

Since the end of Cold War, the ultimate goal of American foreign policy is to acquire and maintain preeminent power over various rivals regionally and globally.⁶⁶ In East Asia, Washington's hub-and-spoke system of bilateral military alliances and its forward-deployed military forces has played a vital role in preserving the US

64. Bibek Chand, 'China's Engagement with its Periphery,' *Journal of Asian Security and International Affairs* 4, no. 2 (2017): 239–248; Gregory Chin and Richard Stubbs, 'China, Regional Institution-building and the China–ASEAN Free Trade Area,' *Review of International Political Economy* 18, no. 3 (2011): 277–298.

65. David Shambaugh, 'China Engages Asia: Reshaping the Regional Order,' *International Security* 29, no. 3 (2005): 64–99; Michael A. Glosny, 'Re-Examining China's Charm Offensive Toward Asia: How Much Reshaping of Regional Order?,' *Asian Politics & Policy* 9, no. 1 (2017): 31–49.

66. Steven W. Hook and John Spanier, *American Foreign Policy since World War II* (Los Angeles: Cq Press, 2015).

primary in the region since the Cold War.⁶⁷ When China's growing economic and military power is upsetting the status quo of the Asian security architecture, it has triggered off a strategic competition between Beijing and Washington for power and influence.⁶⁸ The former sees in the latter a major threat to its rise and core interests, while the latter considers the former a challenger to its dominant status in East Asia. In particular, China's growing assertiveness in the South China Sea has not merely increased the perceptions of China's threat in the region but also altered geopolitical environment in its periphery.⁶⁹ On the one hand, Washington's unchallengeable military power and its strategic containment present a security dilemma for China's peaceful rise.⁷⁰ On the other hand, China's expanding power and influence arouse serious concerns of other Asian countries about its hegemonic aspiration even if Beijing reiterated its commitments to peaceful rise.⁷¹

When East Asian countries' perceptions of the China threat have consolidated the US military presence in Asia and seriously endangered China's security environment, it presents Beijing with a security dilemma for its peaceful rise. In this context, Beijing pursues a strategy not only to ensure its security, mitigate its strategic pressure, but also build its influence and reshape the geopolitical balance of East Asia to its strategic interests. As indicated in **Chart 2**, the third chapter argues that China's approach towards regional multilateralism in East Asia is motivated by a strategy of institutional balancing to deal with its cooperative and competitive relationship with Washington and other Asian countries. As China as a rising power does not possess

67. Daniel Twining, 'America's Grand Design in Asia,' *Washington Quarterly* 30, no. 3 (2007): 79-94.

68. Nick Bisley, 'China's Rise and the Making of East Asia's Security Architecture,' *Journal of Contemporary China* 21, no. 73 (2012): 19-34.

69. Weifeng Zhou, 'China's Growing Assertiveness in the South China Sea,' ARI 60/2015, *The Elcano Royal Institute*, Madrid, 5 November 2015, <http://www.realinstitutoelcano.org/wps/wcm/connect/a06a94004a7842a9b8a5be207bacc4c/ARI60-2015-Chinas-growing-assertiveness-in-the-South-China-Sea.pdf?MOD=AJPERES&CACHEID=a06a94004a7842a9b8a5be207bacc4c>.

70. Adam P. Liff and G. John Ikenberry, 'Racing toward Tragedy?: China's Rise, Military Competition in the Asia Pacific, and the Security Dilemma,' *International Security* 39, no. 2 (2014): 52-91; David Shambaugh, ed., *Tangled Titans: The United States and China* (Lanham, MD: Rowman & Littlefield, 2003).

71. Evan S. Medeiros, *Pacific Currents: The Responses of US Allies and Security Partners in East Asia to China's Rise* (Santa Monica, CA: Rand Corporation, 2008).

the military might to challenge American dominance in East Asia through hard balancing, regional multilateral institutions are used strategically and tactically as a vehicle of institutional balancing,⁷² a new form of soft balancing, to counter coercion and threats from Washington and undermine its dominance. More importantly, Beijing's embrace regional multilateralism in East Asia allows it to build its prominent role without directly provoking Washington.

Regional multilateral regimes provide a vital platform to facilitate cooperation among the participating actors towards common objectives. In particular, the institutionalization of regional multilateral cooperation is helping Beijing to establish asymmetric economic interdependence over other Asian countries, reassure those countries of the peaceful nature of its rising power, and deter those countries to form any anti-China coalition or join a US-led alliance against China. First, regional multilateral cooperation will enhance asymmetric economic interdependent linkage between China and other Asian neighbors that enables Beijing to translate its economic power into political power and build its leadership role in East Asia. Second, Beijing's proactive engagement in regional multilateral cooperation serves as a 'self-restraint' strategy to reassure its Asian neighbors that China's rise is not a threat instead of an opportunity to regional prosperity and stability, underlining its role as a peaceful and responsible power. Third, regional multilateral cooperation that enhances asymmetric interdependence allows Beijing to leverage its power and influence to its strategic interests and deter the formation of anti-China coalitions at the expense of Washington's influence. Accordingly, regional multilateral institutions provide a creative way for Beijing to reassure friends and balance foes, undermining the US dominance.

By examining the success and limits of China's approach towards regional multilateralism in East Asia, it can be argued that China's use of regional multilateral institutions as a vehicle of institutional balancing against the US has its limits. First, those countries (for examples, Japan, Vietnam and the Philippines) that have geostrategic rivalry and territorial disputes with Beijing are prone to ally with

72. Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518; Kai He, 'Contested Regional Orders and Institutional Balancing in the Asia Pacific,' *International Politics* 52, no. 2 (2015): 208-222.

Washington to counter Beijing's rising power.⁷³ Second, while China emerges as a regional and global power, most East Asian countries adopted a hedging strategy to maintain strategic balance between Beijing and Washington to their interests, establishing a close economic link with Beijing but a strong security tie with Washington to attain autonomy and prevent any single power to dominate the region.⁷⁴ Third, when China adopted assertive actions to advance its territorial claims in the East and South China Seas, it not only legitimized Washington's military presence in East Asia but also caused those claimants to form a balancing coalition against China.⁷⁵ This would undermine Beijing's strategy of institutional balancing to enhance strategic reassurance over other Asian countries and deter them to join a US-led alliance against China.

Case II: China's approach towards the SCO

In 2001, China founded the Shanghai Cooperation Organization together with Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan to institutionalize regional multilateral cooperation in Central Asia. The origins of the SCO can be traced to the 'Shanghai Five' group, which was established in 1996 to settle the border issues, promote mutual confidence-building, and combat the three evils in the region. Under the organizational structure of the SCO, several permanent organs such as the SCO

73. Renato Cruz De Castro, 'The 21st Century Philippine-US Enhanced Defense Cooperation Agreement (EDCA): The Philippines' Policy in Facilitating the Obama Administration's Strategic Pivot to Asia,' *Korean Journal of Defense Analysis* 26, no. 4 (2014): 427-446; Mike M. Mochizuki, 'Japan's Shifting Strategy toward the Rise of China,' *Journal of Strategic Studies* 30, no. 4-5 (2007): 739-776; Elizabeth Economy, 'China's Rise in Southeast Asia: Implications for the United States,' *Journal of Contemporary China* 14, no. 44 (2005): 409-425.

74. See Denny Roy, 'Southeast Asia and China: Balancing or Bandwagoning?,' *Contemporary Southeast Asia*, (2005): 305-322; Shannon Tow, 'Southeast Asia in the Sino-US Strategic Balance,' *Contemporary Southeast Asia* (2004): 434-459; Sheldon W. Simon, 'The US Rebalance and Southeast Asia,' *Asian Survey* 55, no. 3 (2015): 572-595.

75. Lim Kheng Swe, Ju Hailong, and Li Mingjiang, 'China's Revisionist Aspirations in Southeast Asia and the Curse of the South China Sea Disputes,' *China: An International Journal* 15, no. 1 (2017): 187-213; Ian Tsung-Yen Chen and Alan Hao Yang, 'A Harmonized Southeast Asia? Explanatory Typologies of ASEAN Countries' Strategies to the Rise of China,' *The Pacific Review* 26, no. 3 (2013): 265-288.

Secretariat in Beijing, Regional Anti-terrorist Structure (RATS) in Tashkent, SCO Business Council, SCO Interbank Consortium, and SCO Forum were established. The SCO are considering setting up the SCO Energy Club and the SCO Development Bank to reinforce energy and financial cooperation among the members.⁷⁶ The SCO offers a key process to strengthen multilateral coordination through diverse types of high level meetings and dialogues on a regular basis. Since the foundation of SCO, Beijing has played a vital role in deepening and broadening multilateral cooperation in Central Asia in a wide range of areas. As a major power in Eurasia, China has certainly stake in advancing its geo-economic, geopolitical, and geostrategic interests across the region and the SCO serves as a vital tool to achieve its goals.

The institutionalization of regional multilateral cooperation within the SCO reflected common demand and interest of all the members in promoting regional security, stability and prosperity. For Beijing, the SCO is a new model for regional cooperation and state-to-state relations. At the 2002 SCO Summit in St. Petersburg, Chinese President Jiang Zemin delivered a speech titled 'Develop Shanghai Spirit, Promote World Peace'.⁷⁷ President Jiang stressed the importance of promoting Shanghai Spirit of mutual trust, mutual benefit, equality, coordination, respecting diversity of cultures and seeking common development. When the Five Principle of Peaceful Co-existence became the fundamental element of the SCO charter, the Shanghai spirit helps promote new norms of international relations and global security. In addition to manifesting the 'Shanghai spirit', China and Russia strongly supported the solidarity of the SCO in building a multipolar world order that was considered an opposition to the US global hegemony and unilateralism. Accordingly, the SCO serves as a key instrument for Beijing not only to combat 'three evils' and diffuse common norms but also to institutionalize its periphery strategy, expanding its influence and undermining American predominance in Central Asia and beyond.

Case II: Preliminary arguments

76. The Russian Government, 'Meeting of the SCO Council of Heads of Government,' *The Russian Government*, 3 November 2016, <http://government.ru/en/news/25170/>.

77. Ministry of Foreign Affairs, 'President Jiang Zemin's Six-Nation Tour Crowned with Success,' *Ministry of Foreign Affairs of China*, 25 June 2002, http://www.fmprc.gov.cn/mfa_eng/topics_665678/3729_666010/t19104.shtml.

To explore the driving force for China's approach towards the SCO, the fourth chapter employs the concept of soft balancing to address the following questions: what are the motivations and calculations of China's approach towards the institutionalization of regional multilateral cooperation in Central Asia? How does China reshape the international relations of Central Asia by promoting common interests towards common objectives within the SCO? How is the SCO used strategically and tactically by Beijing as a vehicle of soft balancing against the American hegemony? How does China advance its geo-economic, geopolitical and geostrategic interests in Central Asia through the SCO? How does Beijing manage its cooperative and competitive relationship with Moscow and Washington through the SCO? What are the success and limits of China's use of the SCO as a means to advance its strategic interests in Central Asia and counterbalance the threats from the American hegemony?

The SCO emerged as the first regional security organization on the scene when the former Soviet Central Asian republics were undergoing a profound transformation in the economic, political and security arenas that might influence Beijing's interests in Central Asia and beyond. First, economic deterioration, poor governance and political chaos in the former Soviet republics led to regional instability since the 1990s. The spreading of three evils across the region and the 'color revolutions' sponsored by the West posed a great challenge to security and stability of the western frontier of China. Second, after the end of Cold War, Russia adopted a very pro-Western foreign policy in the era of Boris Yeltsin that caused serious concerns in Beijing. The Chinese policymakers believed that Russia's leanings towards the West might reshape the strategic balance of trilateral relations among Washington, Moscow and Beijing and undermine China's strategic environment regionally and globally. Third, after the terror-attack of 11 September, the US-led NATO expanded its military presence in Central Asia that severely damaged geostrategic interests of both Moscow and Beijing. In particular, the military presence in Central Asia enables Washington not only to threaten Beijing's energy security but also to shape strategic encirclement of China.

While facing uncertain geopolitical situation in Central Asia, Beijing's efforts to institutionalize regional multilateral cooperation through the SCO are essential to confront with emerging security challenges, manage its cooperative and competitive relationship with Moscow and Washington, and advance its strategic interests in Central Asia. As shown in **Chart 2**, the fourth chapter argues that China's approach

towards the SCO is motivated by a strategy of soft balancing against the hegemon.⁷⁸ When regional multilateral institution offers a mechanism to overcome the collective action problem and facilitate cooperation towards common interest and objective, rising powers like China have strong incentive to shape an interest-based coalition within the institution to counter the threats from American hegemony. Indeed, as it is too costly and risky for any rising power to directly challenge the American hegemony through traditional hard balancing, China makes use of the SCO as a vehicle of soft balancing to exclusively delay, frustrate and undermine the US predominance across the region. Accordingly, the SCO serves as a key instrument for Beijing to reshape the international relations of Central Asia and geopolitical landscape to its strategic interests.

As the institutionalization of regional multilateral cooperation provides a mechanism to collectivize demand, interests and autonomy of all the members, the SCO is strategically and tactically used by Beijing to undermine the US hegemonic power. First, the SCO that enhances multilateral cooperation among the members is the key to resist the US's expanding influence in Central Asia as this region has economic and geopolitical importance for both Beijing and Moscow. The SCO is also considered a counterbalance to the NATO's expansion. Second, Beijing seeks to promote norms and values of the 'Shanghai spirit' such as 'sovereignty' and 'non-interference' within the SCO in all efforts to counter the 'Color Revolutions' supported by Washington in Central Asia, ensuring regional security and stability. Promoting common norms within the SCO is clearly an opposition to increasing American intervention in the region, including 'interference in other countries' internal affairs' and 'export of models of social development'.⁷⁹ Third, the SCO serves as a tool for Beijing and Moscow to forge a global strategic alliance for countering the American hegemony and shaping a multipolar world order.⁸⁰

78. Robert A. Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45; Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46-71; Stephen G. Brooks and William C. Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108.

79. Phunchok Stobdan, 'Shanghai Cooperation Organization: Challenges to China's Leadership,' *Strategic Analysis* 32, no. 4 (2008), p. 532.

80. Silvana Malle, 'Russia and China in the 21st Century, Moving towards Cooperative Behaviour,' *Journal of Eurasian Studies* 8, no. 2 (2017): 136-150.

The SCO offers a new approach for Beijing to undertake a strategy of soft balancing to undermine the US global domination without directly challenging the hegemon. But such a strategy has its limits. First, although Beijing and Moscow has shared interests in countering the US predominant power in Central Asia and globally, Beijing's expanding influence in the post-Soviet nations caused anxiety in Moscow. As Putin has aimed to regain Russia's lost status as a great power and restore its influence over the post-Soviet space, it might weaken the basis of Sino-Russian alliance within the SCO.⁸¹ Second, when Beijing and Moscow maintain dominant influence in the SCO, the Central Asian countries aspire to develop their relations with the EU and US in order to reduce economic and political dependence on Beijing and Moscow. Those two factors would undermine Beijing's efforts to isolate and marginalize the American influence in Central Asia.⁸² Third, after India and Pakistan's accession to the SCO, the territorial disputes and geopolitical rivalry between Beijing, Islamabad and New Delhi pose a great challenge to the solidarity of the SCO. In particular, the growing strategic ties between India and the US will limit Beijing's attempt to undermine Washington's influence in the region.⁸³

Case III: China's approach towards the BRI

In 2013, Chinese President Xi Jinping proposed the Silk Road Economic Belt and the 21st Century Maritime Silk Road, now known as the BRI. The land-based Silk Road links China's western and central regions and West Europe through Central Asia, West Asia, Middle East and East Europe While the sea-based Silk Road connects China's eastern coast and Europe through the South China Sea, Indian Oceans, and

81. Bobo Lo, 'The Long Sunset of Strategic Partnership: Russia's Evolving China Policy,' *International Affairs* 80, no. 2 (2004): 295-309; Niklas Swanström, 'China and Central Asia: A New Great Game or Traditional Vassal Relations?,' *Journal of Contemporary China* 14, no 45 (2005): 569-584.

82. Ezeli Azarkan, 'The Relations between Central Asian States and United States, China and Russian within the Framework of the Shanghai Cooperation Organization,' *Alternatives: Turkish Journal of International Relations* 8, no. 3 (2009): 1-21.

83. Evan Braden Montgomery, 'Competitive Strategies against Continental Powers: The Geopolitics of Sino-Indian-American Relations,' *Journal of Strategic Studies* 36, no. 1 (2013): 76-100; Priya Chacko, 'A New "Special Relationship"? Power Transitions, Ontological Security, and India-US Relations,' *International Studies Perspectives* 15, no. 3 (2014): 329-346.

Mediterranean Sea. According to the vision and action plan for the BRI released by the State Council of China in 2015, the BRI aims to strengthen regional multilateral cooperation in the Eurasian landmass on five priority areas: “(i) policy dialogue, (ii) regional connectivity, (iii) trade facilitation, (iv) monetary cooperation, (v) people-to-people exchanges.”⁸⁴ Along with the BRI, Beijing created the AIIB and the Silk Road Fund to provide financial support to the BRI projects.⁸⁵ By establishing an interconnected network of economic corridors and various infrastructures projects such as ports, road, railway, power grid and energy pipelines along the Silk Road, Beijing seeks to create a mega integrated Eurasian market across Asia, Europe and Africa to promote continental economic integration and realize the common development and prosperity.

Since the launching of the BRI, China has achieved great progress towards the implementation of the BRI. When the first Belt and Road Forum for International Cooperation took place in Beijing in May 2017, China signed more than 270 cooperation agreements with more than sixty countries and international organizations on jointly building the BRI.⁸⁶ At the Inauguration Ceremony of Chinese Embassy in Panama that has just broke off diplomatic relations with Taiwan and established diplomatic ties with Beijing, Chinese foreign minister Wang Yi delivered a speech and said: “as Latin America is an important natural extension of the 21st Century Maritime Silk Road, the joint construction of the "Belt and Road" will bring new opportunities for the development of China-Latin America relations.”⁸⁷ It is the first time that Beijing made an attempt to extend the BRI as the ‘Project of Century’ from the Eurasian continent to Latin America that demonstrates China’s global ambition. Given the scope, content and significance of the BRI, the Initiative is not just a project

84. National Development and Reform Commission, ‘Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,’ *The State Council of China*, 28 March 2015, http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html.

85. The AIIB is created to provide financial support to the development of infrastructure in emerging and developing countries, including the BRI projects.

86. Xinhua News Agency, ‘List of Deliverables of Belt and Road Forum,’ *Xinhua News Agency*, 15 May 2017, http://www.chinadaily.com.cn/china/2017-05/16/content_29359377.htm.

87. Wang Yi, ‘The Belt and Road Initiative Becomes New Opportunity for China-Latin America Cooperation,’ *Ministry of Foreign Affairs of China*, 18 September 2017, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1494844.shtml.

involving roads, ports, and railways, but a bold geo-economic imperative to advance Beijing's geopolitical and geostrategic interests in Eurasia and globally.

Case III: Preliminary arguments

To explore the strategic calculations behind China's approach towards the BRI, the fifth chapter considers the BRI a grand strategy to address the following questions: what are the motivations and calculations of China's approach towards regional multilateral cooperation in the Eurasian landmass? How does China advance its geo-economic, geopolitical and geostrategic interests across the continent through the BRI? How are regional multilateral initiatives like the BRI used strategically and tactically as a vehicle of soft balancing against the US? How does China promote its soft power and build its role as a normative power through the BRI? How does China reshape global governance, transform the existing international system and enhance its role as a global great power through the BRI and AIIB? How does Beijing manage its cooperative and competitive relationship with the US and other major powers through the BRI? What are the success and limits of China's use of the BRI as a means to advance its interests across Eurasia and achieve its peaceful rise?

In essence, China's idea of revitalizing the ancient Silk Road through the BRI is linked to complex interaction of domestic and international forces with a combination of economic, political and strategic dimensions. On the domestic level, China's economy has entered a 'new normal' status since 2012, characterized by a decline of global demand and domestic industrial overcapacity. While facing new challenges, Xi Jinping pointed out that "China's development is in a period of strategic importance. We should consolidate confidence to adapt to the new normal state featuring the characteristics of the current development phase of the Chinese economy, and keep calm while making strategies."⁸⁸ As maintaining domestic growth is the key to enhancing the legitimacy of CPC and ensuring social and political stability in China, the BRI is given a top priority in Chinese foreign policy. During his inspection tour in Henan in October 2014, President Xi made the remark that: "The government must continue to coordinate the relations of stabilizing growth, promoting reforms, adjusting structure, improving people's livelihood and preventing

88. Yining Li and Justin Yifu Lin, 'The New Normal of China's Economy,' *China Daily*, 10 October 2014, http://www.chinadaily.com.cn/opinion/2014-10/10/content_18716671.htm.

risks so as to ensure sound economic growth and social stability”.⁸⁹ In this context, The BRI is a new economic strategy for China to readjust economic structure, eliminate developmental imbalance, boost overseas investment, and stimulate economic growth.

On the international level, when the shift in the global power balance continues, the international system is undergoing a fundamental transformation. The creation of the G20 after the 2008 global financial crisis not only signaled the decline of US global hegemony but also reflected the urgent need to improve global governance. Such a global change is viewed by Chinese leadership as a period of strategic opportunity for China to reshape global governance system and enhance its leadership role in the international economic and political order. At the 2017 World Economic Forum in Davos, President Xi delivered a speech, saying: “the global economic landscape has changed profoundly in the past few decades. However, the global governance system has not embraced those new changes and is therefore inadequate in terms of representation and inclusiveness... Only when it adapts to new dynamics in the international economic architecture can the global governance system sustain global growth. Countries, big or small, strong or weak, rich or poor, are all equal members of the international community. As such, they are entitled to participate in decision-making, enjoy rights and fulfill obligations on an equal basis. Emerging markets and developing countries deserve greater representation and voice.”⁹⁰ In this context, the BRI put forward by Xi Jinping is not merely considered a strategic reaction to a rapidly transforming global order, but also a bold attempt to take the lead for the new globalization.

As the BRI is designed with the aim of achieving complex domestic and international agendas, the fifth chapter argues that China’s approach towards the BRI is strongly motivated by a multifaceted grand strategy. Since regional multilateral cooperation provides a new way to transform the existing international system and

89. China Daily, ‘China Should Adapt to New Norm of Growth: Xi,’ *China Daily*, 11 May 2014, http://www.chinadaily.com.cn/china/2014-05/11/content_17498743.htm.

90. World Economic Forum, ‘President Xi’s Speech to Davos in Full,’ *The World Economic Forum*, 17 January 2017, <https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>.

avoid a classic ‘Thucydides Trap’ between rising and established powers,⁹¹ the BRI serves as a strategic maneuver for Beijing to advance its foreign policy objectives in Eurasia and globally. First, the BRI is strategically and tactically used as a means of soft balancing to delaying, frustrating and undermining the US power in Eurasia and beyond⁹² as regional multilateral cooperation enables Beijing to establish asymmetric interdependence over other Eurasian partners, to reassure those partners of the peaceful and benign nature of its rising power and to deter the formation of any anti-China coalition or ‘all but China’ club. Second, China’s endeavor to promote alternative ideas and norms and soft power through the BRI helps delegitimize normative authority of the US-dominated international system but legitimize Beijing’s normative power, reducing perception of China threat and fostering its profile as a benign and responsible power. Third, China’s efforts in reshaping global governance system through the BRI and AIIB is driven not only by an attempt to transform the existing international system and promote its international status, but also by a desire to shape an interest-based coalition to enhance its bargaining power over Washington and foster its leadership role in the emerging international order.

While the BRI has received a very positive response from many countries along the BRI, it is believed that the Initiative will considerably enhance Beijing’s influence in Eurasia and beyond. However, this ambitious initiative is confronted with several problems and challenges. First, as the BRI could expand China’s influence and alter the geopolitical balance across the continent, it would lead to a geopolitical competition between China and other regional powers and pose a great challenge to the implementation of BRI even if Beijing repeatedly stressed the common development and prosperity under the win-win model. Second, as the BRI covers several unstable and conflicted regions such as Central Asia and the Middle East, where Beijing has limited influence and military presence, it presents security threats

91. See Lam Peng Er, ‘China, the United States, Alliances, and War: Avoiding the Thucydides Trap?’ *Asian Affairs: An American Review* 43, no. 2 (2016): 36-46; Zbigniew Brzezinski, ‘Can China Avoid the Thucydides Trap?’, *New Perspectives Quarterly* 31, no. 2 (2014): 31-33; Robert B. Zoellick, ‘US, China and Thucydides,’ *The National Interest* 126, (2013): 22-30; Graham Allison, *Destined for War: Can America and China Avoid the Thucydides Trap* (Boston: Houghton Mifflin Harcourt, 2017).

92. Robert A. Pape, ‘Soft Balancing against the United States,’ *International Security* 30, no. 1 (2005): 7-45; Thazha V. Paul, ‘Soft Balancing in the Age of US Primacy,’ *International Security* 30, no. 1 (2005): 46-71; Stephen G. Brooks and William C. Wohlforth, ‘Hard Times for Soft Balancing,’ *International Security* 30, no. 1 (2005): 72-108.

to regional connectivity and multilateral cooperation within the BRI. Third, the territorial disputes that Beijing holds with several countries along the Silk Road would undermine Beijing's efforts to promote regional multilateral cooperation within the BRI.⁹³ A good example is that the South China Sea disputes between China and ASEAN members might affect regional multilateral cooperation within the Maritime Silk Road. Fourth, political turbulences and economic dysfunction in many developing countries along the BRI might bring risk and political uncertainty to the implementation of BRI projects.

Overview of the dissertation

The rising role of regional multilateralism in Chinese foreign policy is considered a strategic adaptation process to the changing domestic, regional and international environment.⁹⁴ Such a process has coincided with China's rising power and influence. While its power continues to grow, China has turned into an increasingly confident global actor and is keen to expand its influence from East Asia and Central Asia to the whole Eurasian continent. Regional multilateralism has become a new paradigm for Chinese foreign policy as it not only provides a way for Beijing to increase security, assure survival and expand influence in the US-dominated international system but also presents an alternative path to transform the existing global system and achieve its peaceful rise.⁹⁵ In addressing the main research questions and hypotheses, the full dissertation is divided into six chapters to explore the logic of China's growing engagement with regional multilateralism in East Asia, Central Asia and the Eurasian landmass. Among those, three cases studies involving the APT, the SCO and the BRI have been conducted to shed some light on the role of regional multilateralism in international relations. To provide a brief overview of the research, this dissertation is structured and outlined as follows.

93. Lingjie Kong, 'The Belt and Road Initiative and China's Foreign Policy toward its Territorial and Boundary Disputes,' *China Quarterly of International Strategic Studies* 1, no. 2 (2015): 325-345.

94. Elizabeth C Economy, 'The Game Changer: Coping with China's Foreign Policy Revolution,' *Foreign Affairs* 89, (2010): 142.

95. Rosemary Foot, 'Chinese Strategies in a US-Hegemonic Global order: Accommodating and Hedging,' *International Affairs* 82, no. 1 (2006): 77-94.

Chapter One presents an introduction of the full dissertation by providing some insight into the main motives, objectives, questions, and hypotheses of this research work. In doing so, this chapter is divided into three sections. The first section highlights the origin, background and evolution of China's growing engagement in regional multilateral cooperation in East Asia, Central Asia and the Eurasian space throughout the past three decades. It argues that since the launching of reform and opening door policy in the 1980s, China has been growingly involving in regional multilateral cooperation and institutions that are closely interrelated with its complex domestic and international agendas. Regional multilateralism has become a new paradigm for Chinese foreign policy, as regional multilateral mechanism provides a new approach for Beijing to advance its geoeconomic, geopolitical and geostrategic interests in a regional and global context. The second section raises the research questions and provides some preliminary arguments by focusing on the three cases studies: *(1) what are the motivations and calculations behind China's evolving foreign policy towards regional multilateralism in East Asia, Central Asia and Eurasia? (2) What are the relevance and significance of regional multilateralism in managing the cooperative and competitive relationship between China and other major powers and its peaceful rise? And (3) what are the success and limits of China's embrace of regional multilateralism in achieving its key foreign policy objectives?* The third section gives a brief overview of the structure of dissertation and outlines the key element of six individual chapters of the dissertation.

Chapter Two highlights the theoretical foundations of regional multilateralism and reviews the existing literatures. This chapter is divided into two sections. The first section illustrates the basic concept of regional multilateralism and the role of regional multilateralism in international relations from the perspectives of neorealism, neoliberalism and constructivism in order to provide some insight into how ideas, interests and institutions shape the country's foreign policy behavior. The second section examines the role of regional multilateralism in Chinese foreign policy to address three main questions: what are China's key foreign policy objectives behind China's engagement in regional multilateralism? And what are the security and geopolitical dilemmas of China's peaceful rise in a changing world? How does regional multilateralism play a role in Chinese foreign policy and shape the country's foreign policy behavior? It argues that in pursuit of an evolving grand strategy for the rise of China, the four dimensions, including maximizing material power, pacifying the periphery, securing core interests, and promoting international status, have significantly shaped Chinese foreign policy in growingly engaging in regional

multilateral cooperation since the end of Cold War. Beijing's activism in regional multilateral cooperation in East Asia, Central Asia and the Eurasian continent is strongly motivated by a desire to raise its national comprehensive power in both economic and military capabilities, ensure a stable and peaceful environment along its periphery, secure its core interests such as the Taiwan issue, the South China seas and national security, and promote its great power status in the international system.

Chapter Three copes with China's approach towards regional multilateralism in East Asia. By using the concept of institutional balancing, this chapter explores the rationale behind China's approach towards regional multilateral cooperation in East Asia. It argues that China's endeavor to promote regional multilateral cooperation in East Asia is motivated by a strategy of institutional balancing to delay, frustrate and undermine the US's dominant power. Institutional balancing is materialized in three dimensions: first, China seeks to establish asymmetric interdependence over its Asian neighbors through the deepening of regional multilateral cooperation, leveraging its power and influence to its strategic interests. Second, China intends to enhance strategic reassurance in East Asia, as promoting regional multilateral cooperation can reassure its Asian neighbors of benign and peaceful nature of China's rise and reduce the risk and costs of achieving its peaceful rise. Third, China attempts to deter East Asian states to form or join any anti-China coalitions through regional multilateral cooperation, undermining the American power and influence in East Asia. However, China's soft balancing strategy might be constrained when it involves a complicated power game between Beijing, Washington and other Asian states. As East Asian states pursue a hedging strategy towards Beijing and Washington for preserving autonomy and preventing to be dominated by any single power, it is likely to undermine Beijing's attempts to isolate and marginalize the American influence. In particular, the territorial disputes and geostrategic rivalry between China and several Asian states have 'legitimized' the US presence in East Asia.

Chapter Four studies China's strategy towards the Shanghai Cooperation Organization. By employing the concept of soft balancing, this chapter explores the strategic calculations behind China's approach towards the institutionalization of regional multilateral cooperation in Central Asia. It argues that China's efforts to institutionalize regional multilateral cooperation within the SCO are driven by a strategy of soft balancing against the American hegemony. The SCO was strategically and tactically used as a vehicle of soft balancing to isolate, marginalize and undermine the US power and influence in Central Asia and beyond. This strategic

maneuver is materialized in three ways: first, Beijing seeks to form an interest-based coalition within the SCO to resist the US's expansion in Central Asia and ensure security and stability of its western frontier. Second, Beijing intends to promote common norms such as 'sovereignty' and 'non-interference' within the SCO in all efforts to counter the US-supported 'Color Revolutions' in Central Asia. Third, Beijing attempts to forge a Sino-Russian strategic alliance through the SCO to foster a multipolar world and counterbalance the US global hegemony and unilateralism. However, complex geopolitics of Central Asia and the Sino-Russia competition might limit Beijing's attempt to use the SCO as a tool of soft balancing to undermine the US hegemonic power when Beijing's expanding influence in the former Soviet space has generated concerns in Moscow, and when Central Asian states are trying to diversify their relations with the western powers and avoid overdependence on Beijing and Moscow economically and politically.

Chapter Five deals with China's strategy towards regional multilateral cooperation in the Eurasian continent. Based on neorealist, neoliberal and constructivist thoughts, this chapter explores the motivations and calculations behind China's approach towards the BRI. It argues that China's efforts to promote regional multilateral cooperation within the BRI are strongly motivated by a multifaceted grand strategy in three ways. First, the BRI is used strategically and tactically by Beijing as a vehicle of soft balancing to frustrate the US strategic containment of China and undermine its predominance, as promoting regional multilateral cooperation within the BRI enables Beijing to establish strategic interdependence for reassuring friends and balancing foes. Second, China tends to promote alternative ideas and norms through the BRI in all efforts to foster the normative legitimacy of its rising power and build its role as a normative power, as Beijing believed that its rise relies not only on hard power but also soft power. Third, China seeks to form a bargaining coalition through the BRI and AIIB to reshape global governance, transform the existing system and boost its global role from a rule-taker to rule-maker. When China's rising power is continuing to grow, the country's interests become global. Logically, China aspires to play a greater role in regional and global affairs. Accordingly, the BRI is part of Beijing's efforts not only to increase its security and expand its geopolitical influence, but also promote its great power status. However, the potential challenges arising from geopolitical rivalry, security threats, territorial disputes and political turbulence might undermine Beijing's efforts to implement the BRI.

Chapter Six presents the main conclusions of the dissertation and further discusses the limited role of regional multilateralism in international relations. By conducting the three case studies involving the APT, the SCO and the BRI, it concludes that China's approach towards regional multilateralism is strongly shaped by an evolving grand strategy in search for security and status, as regional multilateralism provides a new approach not merely to expand its power and influence but also reshape the international relations regionally and globally towards achieving its peaceful rise. First, China's efforts to institutionalize regional multilateral cooperation is strongly motivated by a strategy of soft balancing to counter the US threats and undermine its dominance, as regional multilateral mechanism serves a vital instrument to establish a strategic interdependence, reassure partners and balance rivals. Second, regional multilateral cooperation provides a mechanism for Beijing to advance its geoeconomic, geopolitical and geostrategic interests regionally and globally, since regional multilateral regimes facilitate cooperation, coordination and collaboration among the involved actors towards common interests and objectives. Third, Regional multilateral initiatives provide Beijing an alternative path to build normative power and reshape global governance in all efforts to enhance its role as a responsible, benign and peaceful power and transform the existing international system in a way that reflects its values, influence and desired status. However, territorial disputes, complex geopolitical competition and dynamics of great power politics have limited Beijing's attempts to achieve its foreign policy objectives through regional multilateralism.

CHAPTER TWO

THE ROLE OF REGIONAL MULTILATERALISM IN INTERNATIONAL RELATIONS: A THEORETICAL FOUNDATION

Introduction

Since the Cold War, global multilateral institutions have played a central role in enhancing the governance of global commons and tackling global challenges in various areas such as trade, development, environment, climate change and security. Although multilateralism remains the foundation of the contemporary global system, multilateralism is an underdeveloped and neglected concept in the study of international relations.⁹⁶ Indeed, multilateralism is far from a core concept as anarchy, sovereignty, or interdependence in the International Relations theory. James A. Caporaso described this subject as “a cocktail of sociology, experimental psychology, organization theory, and game theory”.⁹⁷ The relevant literature provides explanations to why multilateralism is so poorly conceptualized in the theory of international relations. Some scholars argue that the International Relations is an American-dominated discipline⁹⁸ and the theory always follows from practice. But in practice, the US foreign policy does not have a preference for ‘multilateralism’ since the end of Cold War.⁹⁹ Other scholars point out that multilateralism as the antique artwork of the Cold War is already dead¹⁰⁰ since the WTO-based multilateral trading

96. Robert M. A. Crawford and Darryl S. L. Jarvis, *International Relations - Still an American Social Science? Toward Diversity in International Thought* (Albany NY: State University of New York Press, 2000).

97. James A. Caporaso, ‘International Relations Theory and Multilateralism: The Search for Foundations,’ *International Organization* 46, no. 3 (1992): 599-632.

98. Stanley Hoffmann, ‘An American Social Science: International Relations,’ *Daedalus* 106, no. 3 (1977): 41-60.

99. John Lewis Gaddis, *Surprise, Security, and the American Experience* (Cambridge, MA: Harvard University Press, 2004); Ole R. Holsti, *Making American Foreign Policy* (London and New York: Routledge, 2006).

100. Caroline Bouchard and John Peterson, ‘Multilateralism: Dead or Alive?,’ *Mercury E-paper*, March 2010,

system does not work anymore in countering rising global protectionism after the failure of the Doha Round Negotiations; and multilateral disarmament agreements, like the Nuclear Non-Proliferation Treaty, have not succeeded in deterring India, Pakistan, and North Korea from developing nuclear weapons.¹⁰¹

Multilateralism often refers to a variety of different forms of cooperation, arrangements, and institutions. In a realist world, it seems ‘clear’ that the great power favors unilateralism over multilateralism in advancing its global interests, whereas multilateralism is considered a ‘weapon of the weak’ to ensure national security interests.¹⁰² The main reason is that multilateralism, in the form of international regimes or institutions, serves to bind the great power and discourage unilateralism to the middle and small power’s interests. However, the great power can exert power and influence over the middle and small power by establishing and dominating multilateral institutions through rules and norms. When global multilateralism is experiencing a ‘crisis’, regional multilateralism emerges as a new form of multilateralism to strengthen dialogue and cooperation in solving regional issues. After the EU had great success in achieving economic and political integration since the end of Cold War in the 1990s, regional multilateralism gained prominence in the rest of the world from Asia to Africa and Latin America, making it a new paradigm in the international relations. In East Asia, regional multilateral cooperation proliferated rapidly since the 1997 Asian financial crisis. The prevalence of regional multilateralism triggered the theoretical debates over the role of regional multilateral institutions in shaping the country’s foreign policy behavior and reconstructing the international relations between states in a regional and global context.

As observed in the previous chapter, China’s foreign policy experienced a dramatic shift since the 1990s, moving from bilateralism and multilateralism to regional multilateralism. As a rising power, China has gradually expanded its regional

http://www.citsee.ed.ac.uk/__data/assets/pdf_file/0007/39526/Conceptualising_Multilateralism_dead_alive.pdf.

101. Steven Pifer and James Tyson, ‘Third-country Nuclear Forces and Possible Measures for Multilateral Arms Control,’ *The Brookings Institution*, August 2016, <https://www.brookings.edu/research/third-country-nuclear-forces-and-possible-measures-for-multilateral-arms-control/>.

102. Robert Kagan, ‘Power and Weakness,’ *Policy Review*, No. 113, June/July 2002, p. 4, <https://www.ies.be/files/documents/JMCdepository/Robert%20Kagan,%20Power%20and%20Weakness,%20Policy%20Review,%20No.%20113.pdf>.

multilateral ties from East Asia and Central Asia to the Eurasian continent. In East Asia, China has actively participated in regional multilateral institutions such as the ASEAN plus Three, ASEAN-China, East Asia Summit, and Trilateral Cooperation to deepen and broaden regional multilateral cooperation. In Central Asia, China has played a leading role in institutionalizing regional multilateral cooperation within the SCO in all efforts to strengthen cooperation between China, Russia and Central Asian states in a wide range of areas. In the Eurasian landmass, China initiated the BRI in order to forge its political, economic, social, and cultural ties with other Eurasian countries along the Silk Road and promote regional multilateral cooperation across the continent. China's growing enthusiasm for regional multilateralism has attracted global attentions. What explains the role of regional multilateralism in Chinese foreign policy from the perspective of International Relations? What are the theoretical foundations for China's turn to regional multilateralism?

As regional multilateralism has become a new paradigm for China's foreign policy, it has triggered wide debates about the theoretical rationale for its engagement with regional multilateral cooperation and institutions. The purpose of this chapter is to illustrate the theoretical foundations of regional multilateralism and provide some insight into the role of regional multilateralism in shaping China foreign policy behavior. To achieve this objective, this chapter is divided into two sections. Section one highlights the concept of regional multilateralism from the perspectives of three international relations theories: neorealism (power-based approach), neoliberalism (interest-based approach), and constructivism (idea-based approach). Section two examines the role of regional multilateralism in Chinese foreign policy. It sheds some light on how the four dimensions, including maximizing material power, pacifying the periphery, securing core interests, and promoting international status, shape China's foreign policy behavior in proactively engaging in regional multilateral cooperation in East Asia, Central Asia and the Eurasian landmass in pursuit of an evolving grand strategy for the rise of China. This helps us better understand the role of regional multilateralism in the international relations and provides new insight into how ideas, interests and institutions influence the country's foreign policy behavior.

Regional multilateralism and the IR theories

Conceptualizing regional multilateralism

How do we conceptualize regional multilateralism? What makes regional multilateralism different from multilateralism, bilateralism, and unilateralism? What explains the emergence of regional multilateralism? What explains the states' foreign policy preferences for multilateralism and regional multilateralism? According to Robert O. Keohane,¹⁰³ multilateralism is defined as the practice of coordination, cooperation and collaboration in certain policy areas among three or more states through *ad hoc* agreements, conventions, and arrangements under the provisions of international institutions, organizations and regimes. John G. Ruggie argues that coordination, cooperation, and collaboration occur on the basis of the constitutive principles of indivisibility, generalization, and reciprocity among those states.¹⁰⁴ Although there are the different forms of multilateralism, this work only focuses on regional multilateralism and its role in international relations. As a subset of multilateralism, regional multilateralism underlines cooperation, collaboration and coordination among states in a specific region or continent to facilitate collective action towards common goals and interests under the provision of a regional multilateral mechanism, regime or institution.

Multilateralism originally stemmed from the international organizations such as World Trade Organization (WTO) and United Nations (UN). A multilateral institution is set to bind various actors including great powers, middle powers and small powers to collectively coordinate the relevant policy areas. Such a multilateral setting serves the common interests, common demands, and common autonomy¹⁰⁵ of all the involved parties under the provision of multilateral regime. Bilateralism is characterized with the bilateral agreements and arrangements between two states and it is thus described as a discriminatory setting against those actors who are excluded from it. Unilateralism is conceptualized as “any doctrine or agenda to support one-side action and measure” while multilateralism is set to pursue the multilateral solutions by discouraging, deterring, and countering any unilateral actions and measures. Accordingly, unilateralism is an antonym for multilateralism in terms of political philosophy and any actions and measures that are unilaterally adopted benefit only unilateralists' own ‘self’ instead of a common interest. Conversely, the solutions

103. Robert O. Keohane, ‘Multilateralism: An Agenda for Research,’ *International Journal* 45, no. 4 (1990): 731.

104. John G. Ruggie, ‘Multilateralism: The Anatomy of an Institution,’ *International Organization* 46, no. 3 (1992): 561.

105. Julie Gilson, ‘Complex Regional Multilateralism: ‘Strategising’ Japan’s Responses to Southeast Asia,’ *The Pacific Review* 17, no.1 (2004): 71-94.

that are achieved under the multilateral coordination, cooperation and collaboration benefit all the involved actors. In the contemporary international system, great powers often act unilaterally while middle and small powers tend to resort to multilateral arrangements and resolutions.

In a comparative perspective, multilateralism is committed to strengthen a much wider scope and scale of cooperation beyond any geographical limitations for a global agenda under the provision of multilateral institutions while regional multilateralism is set to foster a regional agenda within regional multilateral regimes. Regional multilateralism can be complementary and alternative to multilateralism under certain circumstance when the international system undergoes a profound transformation,¹⁰⁶ when global power structure experiences a significant shift,¹⁰⁷ and when great power turns to unilateralism.¹⁰⁸ In this respect, regional multilateralism

106. For example, the prevailing process of neoliberal globalization in the post-Cold War era, see James H. Mittelman, Rethinking the 'New Regionalism' in the Context of Globalization, *Globalism and the New Regionalism* (London: Palgrave Macmillan, 1999), pp. 25-53; Björn Hettne, Globalization and the New Regionalism: The Second Great Transformation, *Globalism and the New Regionalism* (London: Palgrave Macmillan, 1999), pp. 1-24; Mario Telò, Introduction: Globalization, New Regionalism and the Role of the European Union, *European Union and New Regionalism* (Aldershot: Ashgate, 2001); Mark Beeson, *Regionalism and Globalization in East Asia: Politics, Security and Economic Development* (New York: Palgrave Macmillan, 2014).

107. for example, the rise of new powers and the changing balance of global power, see Julia C. Morse and Robert O. Keohane, 'Contested Multilateralism,' *The Review of International Organizations* 9, no. 4 (2014): 385-412; Bas Hooijmaaijers and Stephan Keukeleire, 'The BRICS and Other Emerging Power Alliances and Multilateral Organizations in the Asia-Pacific and the Global South: Challenges for the European Union and its View on Multilateralism,' *JCMS: Journal of Common Market Studies* 52, no. 3 (2014): 582-599; Matthew D. Stephen, 'Rising Powers, Global Capitalism and Liberal Global Governance: A Historical Materialist Account of the BRICs Challenge,' *European Journal of International Relations* 20, no. 4 (2014): 912-938.

108. for example, the American unilateralism and the malfunction of multilateral system, see Lisa Martin, 'Interests, Power, and Multilateralism,' *International Organization* 46, no. 4 (1992): 765-792; Jagdish Bhagwati, 'Departures from Multilateralism: Regionalism and Aggressive Unilateralism,' *The Economic Journal* 100, no. 403 (1990): 1304-1317; Steven Holloway, 'US Unilateralism at the UN: Why Great Powers Do not Make Great

can not only facilitate regional multilateral cooperation in a wide agenda but also effectively remedy the increasing imperfection, uncertainty and inefficiency of unilateralism, bilateralism and multilateralism. Raimo Väyrynen argues that contemporary issues and problems can be solved more effectively and efficiently at the regional level rather than bilateral or multilateral (global) level.¹⁰⁹ Although regional multilateralism is imperfect too, it is a more pragmatic process than bilateralism and multilateralism as it provides a more intensive and multidimensional framework interconnecting various actors to facilitate dialogue, build cooperation, and reach consensus on tackling regional issues.

Multilateralism also refers to “international governance or global governance of the ‘many’” in international relations and its core principle is “opposition of bilateral discriminatory arrangements that were believed to enhance the leverage of the powerful over the weak and increase international conflict”.¹¹⁰ In an international system comprising of great, middle, and small powers, the great power always resorts to unilateralism for its own interests when multilateralism poses a ‘barrier’ to its global domination.¹¹¹ On contrary, the middle and small powers prefer multilateralism as it serves as a key instrument to limit ‘unilateralism’ and ‘exceptionalism’ of great power to their interests in three factors.¹¹² First,

Multilateralists,’ *Global Governance* 6, no. 3 (2000): 361–381; G. John Ikenberry, ‘Is American Multilateralism in Decline?’, *Perspective on Politics* 1, no. 3 (2003): 533-550.

109. Raimo Väyrynen, ‘Regionalism: Old and New,’ *International Studies Review* 5, no. 1 (2003): 25-51.

110. Miles Kahler, ‘Multilateralism with Small and Large Numbers,’ *International Organization*, 46, no. 3 (1992): 681-708; Louise L'Estrange Fawcett and Andrew Hurrell, *Regionalism in World Politics: Regional Organization and International Order* (Oxford: Oxford University Press, 1995); Frank C. Schuller and Thomas D. Grant, ‘Multilateralism, Unilateralism and Managing American Power,’ *International Affairs* 79, no. 1 (2003): 37-51.

111. See David Skidmore, ‘Understanding the Unilateralist Turn in US Foreign Policy,’ *Foreign Policy Analysis* 1, no. 2 (2005): 207-228; John Dumbrell, ‘Unilateralism and ‘America First’? President George W. Bush’s Foreign Policy,’ *The Political Quarterly* 73, no. 3 (2002): 279-287.

112. Andrew F. Cooper, ‘The G20 and Contested Global Governance: BRICS, Middle Powers and Small States,’ *Caribbean Journal of International Relations and Diplomacy* 2, no. 3 (2014): 87-109; John G. Ruggie, Doctrinal Unilateralism and Its Limits: America and Global Governance in the New Century, in David P. Forsythe, *American Foreign Policy in A Globalized World* (New York: Routledge, 2006), pp. 39-58.

multilateralism allows the middle and small powers to shape a bargaining coalition within a multilateral arrangement to oppose any form of unilateralism of the great power. Second, when multilateralism does not work effectively, the middle and small power are likely to turn to regional multilateralism as it provides a new paradigm to collectivize common interest, demand and autonomy for solving regional issues with the absence of great power's involvement and intervention. Third, the middle power favors regional multilateralism over (global) multilateralism as regional multilateral cooperation offers a creative way not merely to reshape the international relations inside and outside institutions and the global balance of power, but also build its power and influence regionally and globally.

Over the past decades, China's evolving foreign policy experienced a dramatic shift from bilateralism and multilateralism to regional multilateralism that is closely associated with the shifting global balance of power, China's changing role in the international arena and dynamic power politics in Asia and globally. As the rise of China is reshaping regional and global balance of power, it has triggered off a power competition between Beijing and other major powers that poses security and geopolitical challenges for its peaceful rise. In particular, when China's rising power and influence is transforming the US-dominated international order, it has intensified Sino-US strategic competition in Asia and beyond, presenting a security dilemma to Beijing on how to manage its complicated relations with Washington and its rise. Accordingly, the questions of how to ensure a stable and peaceful international environment, how to legitimize its rising power, how to promote its international status, and how to advance its global interests in various domains without triggering a confrontation with established power like the US remain a top priority in China's foreign policy and strategy. This thesis contends that regional multilateralism offers a new approach for Beijing not only to secure access to regional markets and expand its power and influence, but also enhance the political legitimacy of its rising power and reshape the balance of power regionally and globally. The three major theories of International Relations such as neorealism, neoliberalism and constructivism provide the theoretical foundation for understanding the role of regional multilateralism in China's foreign policy and international relations.

A neorealist hypothesis

According to Kegley and Wittkopf, realism refers to "a paradigm based on the premise that world politics is essentially and unchangeably a struggle among

self-interested states for power and position under anarchy, with each competing state pursuing its own national interests”.¹¹³ As a power-based approach, power politics is at the heart of realist paradigm and highlights the nature of the domination between states in international relations. Kenneth Waltz argues that the anarchy is the principle of international system. In an anarchic world, the states struggle for the ‘relations of super- and subordination’ with the absence of central authority and the individual states are the dominant actor in international relations. The ultimate objective of a state’s behavior is to safeguard, maintain and maximize its power to other states for security and survival, seeking to dominate and influence other states to its own interests through military, diplomatic, economic, political and cultural means. The states that seek to maximize power and ensure security mainly depend on military capability due to the absence of rules, laws and enforcement mechanisms.¹¹⁴ Accordingly, the international system and order is shaped by power politics amongst and between actors, states and institutions, which are struggling for power, security and survival in an anarchic world.

Realists assume that cooperation may happen but it is not the norm. Instead, the conflict is the norm in international relations. As international cooperation between states is limited, joining an alliance and maintaining a balance of power are a neorealist approach for states to advance their interests in the international system. Accordingly, institutions or regimes only embody the distribution of power in the international system and they are created only by powerful states to maintain their dominance over other weak states and advance their economic, security and political interests. For example, multilateral institutions such as the UN, GATT, World Bank and IMF were established by the US as a vital instrument to maintain its global hegemonic status and consolidate the unipolar international system.¹¹⁵ However, when the rise of new powers like the BRICS states is shifting the balance of global power and creating a new international order, global multilateral system might

113. Charles Kegley and Eugene Wittkopf, *World Politics: Trend and Transformation* (New York: St. Martin’s Press, 1997).

114. Stephen Walt, ‘International Relations: One World, Many Theories,’ *Foreign Policy* 110, (1998): 29-46.

115. Rosemary Foot, S. Neil MacFarlane, and Michael Mastanduno, eds., *US Hegemony and International Organizations: The United States and Multilateral Institutions* (Oxford: Oxford University Press, 2003); Friedrich Kratochwil and John G. Ruggie, ‘International Organization: A State of the Art on an Art of the State,’ *International Organization* 40, no. 4 (1986): 753-775.

become increasingly ineffective due to two factors. First, the US might prefer bilateralism and unilateralism over multilateralism in its foreign policy for preserving its global domination and unipolar moment while its hegemonic status is being eroded by rising powers.¹¹⁶ This would undermine the effectiveness and legitimacy of multilateral institutions. Second, as the US-dominated global system cannot reflect new realities in global power structure and the malfunction of multilateral governance system occurs, rising powers tend to create new regional multilateral regimes and institutions¹¹⁷ not merely for resolving contemporary issues at a regional level and remedying the effectiveness of multilateralism, but also for building power and influence. This has partly explained the rationales behind China's turn from multilateralism to regional multilateralism.

From a neorealist perspective, international institutions are often viewed as a means of statecraft of powerful states, underlining the role of the institutions in shaping the power structure of the international system.¹¹⁸ The existing literature provides explanations for China's proactive engagement in regional multilateral cooperation in three aspects: bargaining power;¹¹⁹ soft balancing;¹²⁰ and

116 . See Thomas Palley, 'Trump's Neocon Neoliberalism Camouflaged with Anti-Globalization Circus,' *Challenge* 60, no. 4 (2017): 368-374; Amitav Acharya, *The End of American World Order* (New York: John Wiley & Sons, 2018).

117. Miles Kahler, 'Rising Powers and Global Governance: Negotiating Change in a Resilient Status Quo,' *International Affairs* 89, no. 3 (2013): 711-729; Oliver Stuenkel, *The BRICS and the Future of Global Order* (Lanham, MD: Lexington Books, 2015).

118. Kenneth Waltz, 'Structural Realism after the Cold War,' *International Security* 25, no. 1 (2000): 5-41; Lloyd Gruber, *Ruling the World: Power Politics and the Rise of Supranational Institutions* (Princeton, NJ: Princeton University Press, 2000).

119. Hurrell Andrew, Regionalism in Theoretical Perspective, In Fawcett Louise and Hurrell Andrew, eds., *Regionalism in World Politics: Regional Organization and International Order* (New York: Oxford University Press, 1995), pp. 37-73; Marc Lanteigne, *China and International Institutions: Alternate Paths to Global Power* (London: Routledge, 2005); Ann Kent, *Beyond Compliance: China, International Organizations, and Global Security* (Stanford, CA: Stanford University Press, 2007).

120. For example, see Robert A. Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45; Stephen G. Brooks and William C. Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108; He Kai, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations*

rebalancing.¹²¹ The first argument emphasizes the importance of material power in increasing China's bargaining position over other actors. Given its great size and enormous economic power, establishing and promoting regional multilateral cooperation enables Beijing to establish a relationship of asymmetric interdependence between China and other regional actors, enhancing its bargaining power over other actors inside and outside institutions and leveraging its power and influence to its interests. The second argument assumes that China's engagement in regional multilateralism is strongly driven by a soft balancing strategy. Due to its limited military capability, it is too risky and costly for China to adopt a traditional hard balancing strategy to counter American hegemony. Regional multilateral institutions can be strategically and tactically used by Beijing as a vehicle of soft balancing to undermine the US power and influence without provoking it directly. The third argument finds that China's efforts to establish, promote and institutionalize regional multilateral cooperation is motivated by a rebalancing strategy to counterbalance the negative effect of being excluded from other international institutions. For example, it is generally recognized that the BRI was conceived to rebalance the negative effects of the US-led TPP and TTIP.

A neoliberal hypothesis

In the IR theories, neoliberalism is an interest-based approach, supposing that states pursue absolute gains rather than relative gains to other states and the international institution facilitating cooperation and compromise between states can produce absolute gains for all the actors. According to Robert Keohane, neoliberal institutionalism is a paradigm, assuming that states pursue their overall interests by relying on international institutions or regimes to promote cooperation between states. As regimes and institutions are defined as a wide set of rules, norms and the

14, no. 3 (2008): 489-518; Weiqing Song, 'Feeling Safe, Being Strong: China's Strategy of Soft Balancing through the Shanghai Cooperation Organization,' *International Politics* 50, no. 5 (2013): 664-685.

121. See Avery Goldstein, 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice,' *The China Quarterly* 168, (2001): 835-864; Thomas J. Christensen, 'China, the US-Japan Alliance and the Security Dilemma in East Asia,' *International Security* 23, no. 4 (1999): 49-80; Christopher W. Hughes, 'Japan's Response to China's Rise: Regional Engagement, Global Containment, Dangers of Collision,' *International Affairs* 85, no. 4 (2009): 837-856.

decision-making processes to connect various actors and shape policy preference,¹²² it helps overcome collective action problem without eroding collective autonomy while pursuing collective interests towards a common objective in international cooperation.¹²³ In practice, the actors adopt a common position, action and measure in order to achieve a common objective such as financial, trade, energy and security cooperation under the provisions of regional multilateral regimes with a set of explicit or implicit norms, rules, and processes. International institutions and regimes can reduce costs, form preferences, monitor processes, facilitate problem-solution and achieve common goals. In addition, cooperation, coordination and collaboration that occur between states prompt the growing interdependence that is the key incentive for the actors to create new regimes and institutions.¹²⁴

Regime theory assumes that international cooperation is possible in the anarchic system. Regimes are created to institutionalize international cooperation.¹²⁵ Neorealist thought appear more pessimistic about the prospects for peace, cooperation and compromise in the international system whilst neoliberalists are optimistic about multilateral cooperation that generate absolute gains. Consequently, war and conflict of power politics in the international system can be substituted by the doctrine of peace and cooperation between states based upon an interest-based approach: neoliberalism. From a perspective of neoliberal institutionalism, regional multilateral institution can be depicted as ‘federation of liberal states’ to facilitate multilateral cooperation towards a convergence of interests of states. The shared interests between actors, states and institutions generate the complex interdependence to promote international cooperation that tend to build peace and cooperation, and deter war and conflict. The war and conflict between states can be reduced through the interest-based cooperation and compromise that produce mutual wins. However, regional multilateral regimes have a limits role when structural conflicts such as

122. Stephen D. Krasner, ‘Structural Causes and Regime Consequences: Regimes as Intervening Variables,’ *International Organization* 36, no. 2 (1982): 185-205.

123. Robert O. Keohane, Institutional Theory and the Realist Challenge after the Cold War, In David A. Baldwin, *Neorealism and Neoliberalism: The Contemporary Debate* (New York: Columbia University Press, 1993), p. 273.

124. Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984); Barbara Koremenos, Charles Lipson, and Duncan Snidal, ‘The Rational Design of International Institutions,’ *International Organization* 55, no. 4 (2001): 761–799.

125. Stephen D. Krasner, *International Regimes* (Ithaca, NY: Cornell University Press, 1983).

territorial disputes, security, geopolitical rivalry amongst and between states exist. For example, the East and South China Sea disputes may impede regional multilateral cooperation between China and other East Asian states.

From a neoliberal perspective, China's growing involvement in regional multilateralism is driven by an attempt to deepen and broaden regional multilateral cooperation with other regional actors in a wide range of areas. It enables Beijing not simply to expand market access and promote economic growth but also forge stronger political and diplomatic ties with its Asian neighbors and advance its periphery strategy. Regional multilateralism provides a new paradigm for Beijing to enhance its periphery strategy and advance its key foreign policy objectives. As regional multilateral regimes and institutions facilitate cooperation towards common interests and goals of all the regional actors, Beijing's participation in regional multilateral cooperation can be understood as a way to fortify its commitments to regional peace, stability and prosperity, reassure other actors of the benign nature of China's rise, and reduce the perceptions of China threat arising from China's growing power and influence. Since the rule- and norm-based regional multilateral regimes help enhance a structural and systematic interdependence between China and other actors with the following principles: collective objective, collective demand and collective autonomy, it allows Beijing to leverage its power to deter its Asian neighbors to form an anti-China coalition, undermine the US's dominant influence and reshape regional geopolitical balance, creating a peaceful and stable international environment for its domestic development and modernization. Accordingly, regional multilateralism plays a role in reshape the international relations inside and outside institutions and the balance of power regionally and globally.

A constructivist hypothesis

In the IR theories, constructivism is a paradigm with the discipline claiming that the relations between states strongly rely on shared ideas, rules and norms, rather than material power, that determines interests and actions of actors, and the international relations between states are socially and historically constructed.¹²⁶ Thus, the construction of the international system is a dynamic process of social evaluation of the world that can shift over time. Constructivism is an idea-based approach with a focus on the convergence of ideas, norms and identities that are recognized as

126. Alexander Wendt, 'Anarchy is what States Make of it: The Social Construction of Power Politics,' *International Organization* 46, no. 2 (1992): 391-425.

essential for the states to shape preferences for international cooperation. International regimes and institutions embody the core elements of constructivist thought such as normative, ideational and structural dimensions between actors and underline the common idea, norm and identity.¹²⁷ how institutions and regimes shape the identity of actors; how identities influence the actions and behaviors amongst and between actors; how norms are made to shape the relations between actors inside and outside institutions and the structure of the international system. Constructivists argue that the interaction between actors, states and institutions tends to create relatively stable concept of 'self' and 'other', forming the common position and preference,¹²⁸ building relationships of either friends or foes, creating a collective identity, and promoting common rules and norms through international organization and institution, even if the questions of whether and when normative convergence demands the creation of institutions remained disputed.¹²⁹

While neorealist and neoliberalist underline the role of 'war and power' and 'interest and cooperation', constructivists take into consideration two key elements shaping the international order: identity and norm.¹³⁰ The interactions between actors, states and institutions can construct the political identity of power at national, regional and international levels and enhance the normative legitimacy of actors, states and institutions in the international system. Stephen Krasner argues that as international institutions and regimes possess a set of rules, processes, and procedures to facilitate the convergence of interest, objective and action,¹³¹ it helps enhance the normative authority and legitimacy of power in the international system. As international cooperation is not only related to power (neorealist) and interest (neoliberalist), but also to ideas (constructivist), international institutions and regimes can reshape the relations amongst and between states and influence states' foreign policy behavior.

127. Emanuel Adler, 'Seizing the Middle Ground: Constructivism in World Politics,' *European Journal of International Relations* 3, no. 3 (1997): 319-363; Christian Reus-Smit, Constructivism, In Scott Burchill and others, *Theories of International Relations* (Basingstoke: Palgrave, 2005), pp. 188-212.

128. John G. Ruggie, 'What Makes the World Hang Together? Neo-Utilitarianism and the Social Constructivist Challenge,' *International Organization* 52, no. 4 (1998): 855-885.

129. Etel Solingen, 'The Genesis, Design and Effects of Regional Institutions: Lessons from East Asia and the Middle East,' *International Studies Quarterly* 52, no. 2 (2008): 261-294.

130. Audie Klotz and Cecelia Lynch, *Strategies for Research in Constructivist International Relations* (New York: M.E. Sharpe, 2007).

131. Stephen D. Krasner, *International Regimes* (Ithaca, NY: Cornell University Press, 1983).

For example, the creation of the Single Common Market and the European Union have built its European identity throughout Europe. European institutions such as the European Council, the European Commission and the European Parliament strive to build a united Europe through a set of rules, norms and treaties towards achieving common interests and goals of EU member states. The interaction between EU and other international actors will not only enhance its European identity but also build its role as a global actor in the international system. Another example is that the foundation of ASEAN has considerably fostered its regional identity.

As China is considered an authoritarian state not sharing western values and norms, its rising power and status is hardly to be recognized by the liberal international order created and dominated by the West. Many western scholars suggest that China's rising power poses a threat to the existing order and system, debating that China's authoritarian capitalism would undermine the western values of democracy and end the liberal world order.¹³² Indeed, the neoliberal economic order based on the Washington Consensus has been accepted and adopted for decades as the most effective model to achieve economic growth and development in the developing world and globally.¹³³ That also provides the normative foundations for political authority and legitimacy of the US global leadership. But it presents a major challenge to Beijing on how China as a non-western power to construct its political identity and legitimacy of its rising power in the US-dominated global system. As regional multilateral regimes and institutions help build the political identity of power and strengthen the legitimacy of power in the existing international order, they provide a new venue for China not only to construct political identity and legitimacy of its rising power in the global system, but also promote a normative transformation

132 . Barry Buzan and George Lawson, 'Capitalism and the Emergent World Order,' *International Affairs* 90, no. 1 (2014): 71-91; Daniel Deudney and G. John Ikenberry, 'The Myth of the Autocratic Revival: Why Liberal Democracy Will Prevail,' *Foreign Affairs* 88, (2009): 77-93; Azar Gat, 'The Return of Authoritarian Great Powers,' *Foreign Affairs* 86, (2007): 59-69; Stefan Halper, *The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty-first Century* (New York: Basic Books, 2010).

133. For example, see John Williamson, 'Did the Washington Consensus Fail,' *World Economy* (2005); John Williamson, 'Democracy and the "Washington Consensus,"' *World Development* 21, no. 8 (1993): 1329-1336; John Marangos, 'What happened to the Washington Consensus? The Evolution of International Development Policy,' *Cambridge Law Journal* 38, no. 1 (2009): 197-208; John Williamson, 'An Agenda for Restarting Growth and Reform,' *Institute of Defence & Strategic Studies* (2003).

of the global system, fostering a multi-polar world order and shaping a fair, just and peaceful international order.

The role of regional multilateralism in China's foreign policy

A very long time in the history, China, as one of the most ancient civilizations of mankind, remained at the Centre of the world stage and maintained prominent influence in East Asia and globally. After the Opium War in 1839, the decline and fall of the Qing Dynasty in the 19th and 20th century caused the infamous “century of humiliation”. The history also tells that: “The strong do what they can and the weak suffer what they must.”¹³⁴ Since the Xinhai Revolutions in 1911, Chinese people persistently endeavored to rebuild a powerful nation and regain its historic place in the world as they understood a permanent doctrine of international politics: weakness invites aggression, and strength begets security, prestige and international status. On 1 October 1949, Chairman Mao Zedong stood in the Tiananmen rostrum and declared to the world: “the Chinese people have stood up.” There is a little doubt that since the foundation of the PRC, Beijing has an evolving grand strategy, regaining great power status and achieving its rise. There is also a consensus under the leadership of Xi Jinping that the rise of China is a narrative equal to the rejuvenation of the Chinese nation and China's great power status. But if China does not rise to a global great power, the rejuvenation of the Chinese nation is not complete. Hence, the rise of China that underlines the growth of material power has been the most important discourse in the formulation of China's foreign policy and strategy.

In pursuit of an evolving grand strategy for the rise of China,¹³⁵ regional multilateralism has played a crucial role in China's foreign policy and strategy since the end of Cold War. This thesis argues that the four dimensions, including

134. This is Crawley's translation. Warner translated this line as: “the strong do what they have the power to do and the weak accept what they have to accept”. Jowett translated this line as: “the powerful exact what they can, and the weak grant what they must”. Thomas Hobbes translated this as: “they that have odds of power exact as much as they can, and the weak yield to such conditions as they can get”.

135. See Michael D. Swaine, Sara A. Daly, and Peter W. Greenwood, *Interpreting China's Grand Strategy: Past, Present, and Future* (Santa Monica, CA: Rand Corporation, 2000); Avery Goldstein, *Rising to the Challenge: China's Grand Strategy and International Security* (Palo Alto, CA: Stanford University Press, 2005).

maximizing material power, pacifying the periphery, securing core interests, and promoting international status have strongly shaped China's foreign policy preference in increasingly engaging in regional multilateral cooperation and institutions.¹³⁶ First, China's involvement in a set of regional multilateral cooperation and institutions helps Beijing to integrate into the East Asian production network and world economic system, promote economic growth, and raise its national comprehensive power. Second, regional multilateral regimes that interconnect various regional actors help Beijing not only to reduce regional anxiety and ensure a stable and peaceful international environment, but also build its power and influence in its periphery. Third, regional multilateralism serve as a means for Beijing to reshape the international relations inside and outside the institutions, and manage its complicated relations with Washington and other major powers and secure its core interests. Fourth, regional multilateral regimes provide a new approach for Beijing to legitimize its rising power and international status and transform the existing global system in an endeavor to achieve a peaceful rise. Overall, China's foreign policy in regional multilateralism has been strongly shaped by an evolving grand strategy for security and great power status.

Maximizing material power

Maximizing material power is the fundamental to the rise of China. When Deng Xiaoping launched the reform and opening policy in 1978, China's national development strategy underwent a dramatic shift from the ideological struggle and communist revolution to the economic development and socialist modernization with Chinese characteristics, ending its international isolation and returning to the international society. The strategic calculation behind the reform and open policy is shaped by a strong motive to integrate into the regional and global economic system, raise national comprehensive power, and achieve the rise of China.¹³⁷ This strategic statecraft was set out by Deng Xiaoping and has been constantly propelled by the

136. Yong Deng and Fei-Ling Wang, eds., *China Rising: Power and Motivation in Chinese Foreign Policy* (Lanham, MD: Rowman & Littlefield Publishers, 2004); Feng Zhang, 'Rethinking China's Grand Strategy: Beijing's Evolving National Interests and Strategic Ideas in the Reform Era,' *International Politics* 49, no. 3 (2012): 318-345; Robert D. Blackwill and Ashley J. Tellis, 'Revising US Grand Strategy toward China,' (Washington: Council on Foreign Relations, 2015), p. 13.

137. Ezra F. Vogel, *Deng Xiaoping and the Transformation of China* (Cambridge, MA: Belknap Press of Harvard University Press, 2011).

successive Chinese leaderships. Chinese policymakers strongly believe that China could neither become a global great power without increasing its comprehensive national power at a global level, in particular the growth of power in economic, military, and technological dimensions, nor achieve these goals without reestablishing its economic, political, and diplomatic ties with the rest of world. As economic development is the fundamental underpinning of accelerating China's modernization process and increasing its material power, establishing and developing economic cooperation at bilateral, regional and global levels was given a top priority in China's foreign policy agenda. Such a persistent and consistent diplomatic strategy has driven China's foreign policy and foreign relations throughout the entire reform era.

At the Central Conference on Work Related to Foreign Affairs in 2006, Chinese President Hu Jintao stressed the importance of carrying out all-around diplomacy to enhance economic diplomacy and coordinate domestic and international situations.¹³⁸ It seems that the economic logic fully dominated the course of China's domestic and foreign policy, since Beijing sought to "create a pattern of opening to the outside world in all directions, at all levels, and in broad areas"¹³⁹ in all efforts to integrate itself into the world economic system for promoting economic development and increase its material power. After President Hu proposed ideas of building a 'harmonious society' (*heping shehui*) and 'harmonious world' (*hexie shijie*),¹⁴⁰ the "peace, development, and cooperation" have been the "basic principles" (*jiben yuanze*) of China's foreign relations as Beijing desired to create a favorable domestic and international environment for expanding its regional and multilateral ties and promoting economic cooperation. Since the end of the Cold War, the open and reform policy and economic globalization significantly accelerated the pace of China's reintegration to the Asia and world economy. In particular, China's growing engagement in regional multilateral institutions and cooperation under three

138. Xinhua News Agency, 'Central Foreign Affairs Meeting Held in Beijing: Hu Jintao Deliver Important Speeches,' *Xinhua News Agency*, 23 August 2006, <http://news.cri.cn/gb/8606/2006/08/24/1062@1187221.htm>.

139. Evan S. Medeiros, *China's International Behavior: Activism, Opportunism, and Diversification* (Santa Monica, CA: Rand Corporation, 2009), p. 47.

140. Suisheng Zhao, 'Chinese Foreign Policy under Hu Jintao: The Struggle between Low-Profile Policy and Diplomatic Activism,' *Hague Journal of Diplomacy* 5, (2010): 357-378; Xinhua News Agency, 'Adhere to Peaceful Development Road, Push Forward Building of Harmonious World,' *Xinhua News Agency*, 27 September 2012, http://www.chinadaily.com.cn/hqpl/zggc/2012-09-27/content_7122373.html.

successive Chinese leaders Jiang Zeming, Hu Jintao and Xi Jinping has not only considerably enhanced its political and diplomatic relations with Asian neighbors, but also facilitated China's integration into the East Asian production network and world economy. More importantly, China's efforts to deepen regional multilateral cooperation in Asia and beyond greatly helped expand market access, attract FDI, increase productivity, promote growth and raise its comprehensive power.¹⁴¹

As a matter of fact, maximizing material power has become the primary objective of China's domestic and foreign policy agendas since the foundation of the PRC in 1949, not only for avoiding being invaded, conquered and exploited by stronger powers, but also for recovering its historic greatness and standing at the centre of the world. Because Chinese leadership had learnt a painful lesson from the 'century of national humiliation', that backward countries are naturally subjected to invasion and exploitation (*luohou jiuyao aida*). Along the same lines, Ashley J. Tellis, a Senior Fellow at the Carnegie Endowment for International Peace, argues that maximizing its national comprehensive power is the fundamental element of China's evolving grand strategy for recovering the primacy and dominance it once enjoyed in Asia prior to the Columbian era.¹⁴² According to the IMF, the Chinese economy experienced an average growth of 9.6 percent per year between 1990 and 2010. China's economy in 1980 was less than 10 percent the size of the US's economy, but Beijing replaced Japan as the world's second largest economy in 2010.¹⁴³ Today, China has overtaken the US as the world's trading nation, the world's largest industrialized nation and the world's largest economy.¹⁴⁴ Its growing economic

141. See Susan L. Shirk, *The Political Logic of Economic Reform in China* (Berkeley, CA: University of California Press, 1993); Justin Yifu Lin, Fang Cai, and Zhou Li, *The China Miracle: Development Strategy and Economic Reform* (Hong Kong: Chinese University Press, 2003); Yunling Zhang, *China and Asian Regionalism* (Singapore: World Scientific Publishing, 2010).

142. See Ashley J. Tellis, China's Grand Strategy: The Quest for Comprehensive National Power and Its Consequences, in Gary Schmitt, ed., *The Rise of China: Essays on the Future Competition* (New York: Encounter Books, 2009).

143. Mure Dickie, 'China Economy Overtakes Japan,' *The Financial Times*, 15 February 2011, <https://www.ft.com/content/3275e03a-37dd-11e0-b91a-00144feabdc0>.

144. According to the IMF, China has surpassed the US to become the world's largest economy in 2014 based on the purchasing power parity of GDP. China's GDP represents 17% of the world gross domestic product in 2014 that exceeds 16% of the US's GDP in the

power has allowed Beijing to hugely increase its military budgets to strengthen the military buildup, modernize the PLA, and expand its global outreach on land and sea.¹⁴⁵ Along with its steady economic growth, China's military budget/spending has constantly increased from \$14.6 billion in 2000 to \$175 billion in 2018¹⁴⁶ that accounts for about 25% of that of the US (\$692 billion)¹⁴⁷ and is ranked second in the world's military spending. A concerted modernization of the PLA has considerably raised its military deterrence capabilities to confront internal and external security challenges.¹⁴⁸

The economic success in the past three decades has largely increased China's material power in both economic and military dimensions. China's growing involvement in regional economic cooperation in Asia and beyond since the early 1990s played a major role in achieving this goal. Evan S. Medeiros, the former chief advisor to President Obama in Asian affairs, argues in his book on China's international behavior that continued reform, development and modernization have

world's domestic product. See International Monetary Fund, Data Base, World Economic Outlook, GDP, 2014, www.imf.org.

145. See Ashley J. Tellis and Travis Tanner, *Strategic Asia 2012–13: China's Military Modernization* (Seattle, WA: National Bureau of Asian Research, 2013); Anthony H. Cordesman, 'Chinese Strategy and Military Modernization in 2016: A Comparative Analysis,' (Washington: Center for Strategic International Studies, 2016), https://csis-prod.s3.amazonaws.com/s3fs-public/publication/161208_Chinese_Strategy_Military_Modernization_2016.pdf.

146. Xinhua News Agency, 'China to Increase 2018 Defense Budget by 8.1 Percent,' *Xinhua News Agency*, 5 March 2018, http://www.xinhuanet.com/english/2018-03/05/c_137016482.htm.

147. Jim Garamone, 'Trump Signs Fiscal Year 2018 Defense Authorization,' *US Department of Defense*, 12 December 2017, <https://www.defense.gov/News/Article/Article/1394990/trump-signs-fiscal-year-2018-defense-authorization/>.

148. M. Taylor Fravel, 'China's Search for Military Power,' *Washington Quarterly* 31, no. 3 (2008): 125-141; Michael D. Swaine, et al., *China's Military & the US-Japan Alliance in 2030: A Strategic Net Assessment* (Washington, DC: Carnegie Endowment for International Peace, 2013); Rosemary Foot, 'Chinese Strategies in a US-hegemonic Global Order: Accommodating and Hedging,' *International Affairs* 82, no. 1 (2006): 77-94.

been China's core foreign policy objectives over the past three decades.¹⁴⁹ China's activism in regional multilateral cooperation is part of its economic diplomacy to exploit new markets, promote trade and investment, secure energy and material resources in an endeavor to boost economic development and increase comprehensive national power. Richard Stubbs further points out that the proliferation of regional multilateral arrangements in Asia since the 1997 Asian financial crisis has soundly increased the intra-regional trade and investment that makes it the world's most dynamic region and benefits China and its Asian partners mostly.¹⁵⁰ Beijing's efforts to deepening and broadening regional multilateral cooperation not only helped it successfully integrate into the world economic system, but also made it become the largest trading partner of most Asian countries as well as a global economic superpower. More importantly, the resulting growth of China's hard power including its economic and military capabilities has enabled Beijing to project its power and influence regionally and globally and reshape the global economic and political landscape. It laid the material foundation for China's rise to a global great power, the great rejuvenation of the Chinese nation, and China's return to the Centre of the world.

Pacifying the periphery

Pacifying the periphery is essential for Beijing to ensure its security and build its power and influence in the surrounding regions.¹⁵¹ In the history, Beijing maintained dominance over its Asian neighbors by establishing a tributary system in its

149. Evan S. Medeiros, *China's International Behavior: Activism, Opportunism, and Diversification* (Santa Monica, CA: Rand Corporation, 2009), p. 50.

150. See Richard Stubbs, 'Signing on to Liberalization: AFTA and the Politics of Regional Economic Cooperation,' *The Pacific Review* 13, no. 2 (2000): 297-318; Richard Stubbs, 'ASEAN plus Three: Emerging East Asian Regionalism?,' *Asian Survey* 42, no. 3 (2002): 440-455; Marc Lanteigne, *China and International Institutions: Alternate Paths to Global Power* (London: Routledge, 2005).

151. See Suisheng Zhao, 'China's Periphery Policy and its Asian Neighbors,' *Security Dialogue* 30, no. 3 (1999): 335-346; Swaine, Michael D. Swaine, 'Chinese Views and Commentary on Periphery Diplomacy,' *China Leadership Monitor* 44, no. 1 (2014); Michael Pillsbury, *China Debates the Future Security Environment* (Washington DC.: Institute for National Strategic Studies of National Defense University, 2000).

periphery.¹⁵² Such a tribute system played a key role in shaping a China-dominated regional order in Asia, ensuring its security and consolidating its power and influence in the region. Since the 1980s, Beijing persistently put its periphery diplomacy at the top of China's foreign policy agenda. At a Work Forum on Periphery Diplomacy and Foreign Affairs in 2013, Xi Jinping stressed: "strive for obtaining an excellent peripheral environment for our country's development, bring even more benefits of our country's development to peripheral countries, and realize common development."¹⁵³ Indeed, China lies at the Centre of East Asia and shares a border with fourteen Asian states that are characterized with a diversity in economic prowess, geographic size, and international status. While China is surrounded by major power competitors such as Japan, Russia, and India, it maintains asymmetric relations with other smaller and weaker Asian states along its periphery. It poses a great challenge for Beijing to manage its complicated relations with other regional actors in a geopolitical and geostrategic context. As the ultimate objective of China's peripheral strategy is to secure a stable and peaceful international environment for its reform, development and stability and build its power and geopolitical influence in its 'backyard', pacifying the periphery has remained a core priority of China's foreign policy since the 1980s.

While China's rise provides both opportunities and challenges for all the states in the international system,¹⁵⁴ China's growing power and influence have significant implications for its Asian neighbors. As Beijing's growing power and influence is reshaping the regional geopolitical landscape and creating a new regional order in

152. On the role of the tributary system in Chinese empire and International Relations of Asia, see John King Fairbank and Ta-tuan Ch'en, *The Chinese World Order: Traditional China's Foreign Relations* 32, (Cambridge: Harvard University Press, 1968); Feng Zhang, 'Rethinking the 'Tribute System': Broadening the Conceptual Horizon of Historical East Asian Politics,' *The Chinese Journal of International Politics* 2, no. 4 (2009): 545-574; Yuan-Kang Wang, 'Explaining the Tribute System: Power, Confucianism, and War in Medieval East Asia,' *Journal of East Asian Studies* 13, no. 2 (2013): 207-232; Yongjin Zhang and Barry Buzan, 'The Tributary System as International Society in Theory and Practice,' *The Chinese Journal of International Politics* 5, no. 1 (2012): 3-36.

153. Xinhua News Agency, 'Xi's Speech at the Work Forum on Periphery Diplomacy and Foreign Affairs,' *Xinhua News Agency*, 25 October 2013, http://www.xinhuanet.com/politics/2013-10/25/c_117878897.htm.

154. See C. Fred Bergsten, *China's Rise: Challenges and Opportunities* (Washington, DC: Peterson Institute, 2008); David Shambaugh, 'Growing Strong: China's Challenge to Asian Security,' *Survival* 36, no. 2 (1994): 43-59.

Asia, the geopolitical competition between China and other major powers such as Japan, India and Russia presents a major challenge for Beijing to guarantee a favorable strategic environment along its periphery. Since the early 2010, Sino-Japan relations have been increasingly strained by the territorial dispute over the Diaoyu/Senkaku islands, historical resentment and geopolitical rivalry. While Beijing sees Tokyo and its alliance with Washington a major challenge to its rise, Tokyo also views Beijing's growing military power as a challenge to regional security.¹⁵⁵ In particular, Beijing's maritime expansion in the Asian waters is perceived as a threat to the maritime security in the Indo-Pacific region.¹⁵⁶ When China sought to expand its power and influence in South Asia and the Indian Ocean, India engaged in a geopolitical competition with Beijing for maintaining its regional dominance even if both states have shared interests in reshaping global governance, fostering a multipolar world, and deepening cooperation within a set of multilateral institutions such as the BRICS, the AIIB and the SCO.¹⁵⁷ Beijing's close strategic ties with Pakistan and its ongoing territorial disputes with India have also intensified the Sino-Indian rivalry. Although Beijing and Moscow have a close strategic alliance at bilateral, regional and global levels and common interests in countering the American hegemony, Beijing's rising global role and its expanding influence in the former Soviet space have also generated anxiety in Moscow. In particular, its growing economic and political dependence on Beijing since the outbreak of the Ukraine crisis and Syrian war is driving Moscow to find alternative ways to 'symmetrize' bilateral relations and preserve its traditional influence in Central Asia.¹⁵⁸

When China's growing economic and military capabilities enabled it to project power and influence over other Asian neighbors to its strategic interests, some Asian states regarded this significant geopolitical shift with mistrust and suspicion. On the one hand, those Asian states adopt a proactive attitude to the rise of China as China's emergence as an economic superpower has made it the most powerful locomotive to ensure sustainable economic growth and prosperity in Asia. On the

155. Christopher W Hughes, 'Japan's Response to China's Rise: Regional Engagement, Global Containment, Dangers of Collision,' *International Affairs* 85, no. 4 (2009): 837-856.

156. Ian Storey, 'Japan's Maritime Security Interests in Southeast Asia and the South China Sea Dispute,' *Political Science* 65, no. 2 (2013): 135-156.

157. Kanti Bajpai, Jing Huang, and Kishore Mahbubani, eds., *China-India Relations: Cooperation and Conflict* 56, (London: Routledge, 2015).

158. Carla P. Freeman, 'New Strategies for an Old Rivalry? China-Russia Relations in Central Asia after the Energy Boom,' *The Pacific Review* (2017): 1-20.

other hand, they are increasingly worried about Beijing's aspiration for hegemony that may undermine their sovereignty and autonomy. That hence evoked a mixed response from Asian states to China's rise in the age of American primacy.¹⁵⁹ While some Asian countries desiring to share the benefits of China's dynamic growth are moving to bandwagon with Beijing to advance their interests, most Asian states prefer a hedging strategy to maintain strategic balance between Beijing and Washington and prevent any single power to dominate this region. However, those Asian states that hold territorial disputes (for example, Vietnam and the Philippines) and geopolitical rivalry (for example, Japan and India) with Beijing are more prone to consolidate their ties with Washington to counterbalance Beijing's rise. While China's rising power is reshaping regional geopolitical landscape in a systematic way, it leads to rising geopolitical instability and tensions that have posed a serious threat to China's geostrategic environment and national security along its periphery.

As pacifying the periphery has significance for Beijing to ensure security and stability along the 'contested and complicated' peripheral regions, regional multilateralism provides a mechanism for Beijing not merely to manage its complicated relations with other regional actors and confront with emerging geopolitical challenges, but also advance its strategic interests in various domains. China's involvement in various regional multilateral institutions in East Asia provides a good example on this point. Some scholars argue that China's involvement in regional multilateral mechanisms is motivated by an effort not just to push for East Asian economic cooperation but also to expand its geopolitical clout and reshape regional security order in a geopolitical and geostrategic context.¹⁶⁰ Some scholars

159. See Yunling Zhang, 'China and its Neighbourhood: Transformation, Challenges and Grand Strategy,' *International Affairs* 92, no. 4 (2016): 835-848; Evelyn Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,' *International Security* 32, no. 3 (2008): 113-157; Shaun Breslin, 'Understanding China's Regional Rise: Interpretations, Identities and Implications,' *International Affairs* 85, no. 4 (2009): 817-835.

160. For example, see Cheng-Chwee Kuik, 'Multilateralism in China's ASEAN Policy: its Evolution, Characteristics, and Aspiration,' *Contemporary Southeast Asia* 27, no. 1 (2005): 102-122; Taek Goo Kang, 'Assessing China's Approach to Regional Multilateral Security Cooperation,' *Australian Journal of International Affairs* 64, no. 4 (2010): 406-431; Thomas J. Christensen, 'China, the US-Japan Alliance, and the Security Dilemma in East Asia,' *International Security* 23, no. 4 (1999): 49-80; Robert G. Sutter, *Chinese Foreign*

also points out that the main purpose of Beijing's participation in regional multilateral mechanisms is to reassure Asian neighbors of its commitment to a peaceful rise, eliminate the perceptions of 'China threat' and prevent those states to form an anti-China alliance.¹⁶¹ Indeed, as regional multilateral regimes that interconnects various regional actors facilitate cooperation towards common objective and interest, Beijing's constant efforts to establish and promote regional multilateral cooperation not only help consolidate its political commitments to regional peace, stability and prosperity and reduce regional anxiety stemming from the rise of China, but also secure a stable and peaceful international environment for its domestic reform and modernization process. More importantly, regional multilateralism provides a viable way for Beijing to institutionalize its periphery strategy, translate its economic power into political influence and enhance its prominence position in its periphery.

Securing core interests

Securing core interests remains a highest priority in Chinese foreign policy.¹⁶² The concept of core interests was first adopted in China's foreign policy in 2005 when Beijing expressed its firm stance on defending its national unity and territorial integrity with the Taiwan issue.¹⁶³ According to the white paper "China's Peaceful

Relations: Power and Policy since the Cold War (Lanham, MD: Rowman & Littlefield Publishers, 2012).

161. See Foot Rosemary, 'China in the ASEAN Regional Forum: Organizational Processes and Domestic Modes of Thought,' *Asian Survey* 38, no. 5 (1998): 425-440; Amitav Acharya, Regional Institutions and Asian Security Order: Norms, Power, and Prospects for Peaceful Change, in Muthiah Alagappa, *Asian Security Order: Instrumental and Normative Features* (Stanford: Stanford University Press, 2003), pp. 211-236; Evan S. Medeiros, *China's International Behavior: Activism, Opportunism, and Diversification* (Santa Monica, CA: Rand Corporation, 2009), p. 52.

162. See Jinghan Zeng, Yuefan Xiao, and Shaun Breslin, 'Securing China's Core Interests: The State of the Debate in China,' *International Affairs* 91, no. 2 (2015): 245-266; Michael Swaine, 'China's Assertive Behavior, Part One: On 'Core Interests',' *China Leadership Monitor* 34, (2010).

163. Yizhou Wang, 'Guojia liyi zai sikao' ['Rethinking National Interests'], *Zhongguo Shehui Kexue* [Social Science in China], no. 2 (2002): 160-170; An Gang, 'The Core of the Issue: China's Declaration of its Key Interests Misinterpreted by Many,' *Beijing Review*, 26 August 2013, http://www.bjreview.com.cn/print/txt/2013-08/26/content_562998.htm; Da Wei, 'A

Development 2011” released by the State Council, China’s core interests are outlined as follows: 1) state sovereignty; 2) national security; 3) territorial integrity; 4) national reunification; 5) China’s political system established by the Constitution and overall social stability; 6) basic safeguards for ensuring sustainable economic and social development.¹⁶⁴ It was the first time for Beijing to define the set of core interests that is not only a demonstrates its growing confidence in defending and advancing its core interests.¹⁶⁵ In his talk at a group study session of the Communist Party of China (CPC) Politburo, Xi Jinping said: “We will stick to the road of peaceful development, but will never give up our legitimate rights and will never sacrifice our national core interests. No country should presume that we will engage in trade involving our core interests or that we will swallow the 'bitter fruit' of harming our sovereignty, security or development interests.”¹⁶⁶ Given its painful history, securing its core interests such as the Taiwan issue and the South China Sea issue is not only involved in China’s territorial right and the legitimacy of the CPC but also its national security and global strategy. China’s resolve to safeguard its core interests is not only a manifestation of its newly acquired power, but it also presents a way to assert the rise of China and its place in the world.

From a Chinese perspective, Washington is the only rival that can challenge its core interests such as the Taiwan issue, the South China Sea issue and national security.¹⁶⁷ In March 1996 when the PLA was conducting a military exercise in the

Clear Signal of 'Core Interests' to the World,' *China Daily*, 2 August 2010, http://usa.chinadaily.com.cn/2010-08/02/content_11083124.htm.

164. The State Council of China, ‘China’s Peaceful Development,’ *The Information Office of the State Council of China*, 6 September 2011, http://www.gov.cn/jrzq/2011-09/06/content_1941204.htm.

165 . Alastair Iain Johnston, ‘How New and Assertive is China’s New Assertiveness?’, *International Security* 37, no. 4 (2013): 7-48.

166. Xi Jinping, ‘Xi Jinping: Genghao tongchou guonei guoji liangge daju, hangshi zou heping fazhan daolu de jichu’ [‘Xi Jinping: To Better Manage Domestic and International Situations and to Lay a Solid Foundation to the Path of Peaceful Development’], *CPC News*, 28 January 2013, <http://cpc.people.com.cn/xuexi/n/2015/0721/c397563-27337509.html>.

167. Andrew J., Nathan and Andrew Scobell, *China’s Search for Security* (New York: Columbia University Press, 2015); Thomas J. Christensen, ‘Chinese Realpolitik,’ *Foreign Affairs* 75, no. 5 (1996): 37-52.

Straits against "Taiwan independence",¹⁶⁸ US President Clinton dispatched a task fleet including two aircraft carriers to the Taiwan Straits in an attempt to 'stop' Beijing's coercion and 'fulfil' its defense commitment to Taiwan according to the Taiwan Relations Act.¹⁶⁹ Washington's arm sales to Taiwan and its military ties with Taiwan are perceived by Beijing as a major challenge to Taiwan's unification with the mainland. Also during the Bush Administration when the US navy EP-3 spy plane conducted a surveillance mission near the Chinese coast in April 2001,¹⁷⁰ the PLA sent two j-8 fighters to intercept and stop the US's spying flight that caused a collision between the EP-3 and the J-8 and the death of a Chinese pilot. And the EP-3 was forced to make an emergency landing on China's Hainan island. This incident considerably heightened Sino-US tensions. In addition, Washington not only supported the Philippines' and Japan's territorial claims in the East and South China Sea disputes but also sent the US Navy destroyer to conduct 'freedom of navigation operation' within 12 nautical miles of the disputed islands and waters of the South China Sea claimed by China in order to challenge Beijing's territorial sovereignty and maritime interests and its rising role. It is thus not surprising that Washington's alliance system and its 'enduring' military presence in Asia are viewed by Beijing as a major threat to its national security and peaceful rise.

While Beijing strives to secure its core interests and achieve a peaceful rise, it also undermines Washington's vital interests in East Asia and globally.¹⁷¹ According

168. Ministry of Foreign Affairs, 'The Taiwan Question in China-U.S. Relations,' *Ministry of Foreign Affairs of China*, 17 November 2000,

http://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/bmdyys_664814/gjlb_664818/3432_664920/3441_664938/t17320.shtml.

169. When the US established diplomatic relations with the PRC in 1979, Washington broke its diplomatic ties with the ROC and nullified its mutual defense treaty, but the US congress approved the Taiwan Relations Act despite Beijing's strong opposition. See the US Department of State, 'Taiwan Relations Act,' The *US Department of State*, 1 January 1979, https://photos.state.gov/libraries/ait-taiwan/171414/ait-pages/tra_e.pdf.

170. Shirley A. Kan, et al., 'China-U.S. Aircraft Collision Incident of April 2001: Assessments and Policy Implications,' *CRS Report for Congress*, 10 October 2001, <https://fas.org/sgp/crs/row/RL30946.pdf>.

171. Robert Ellsworth, Andrew Goodpaster, and Rita Hauser, co-chairs, *America's National Interests: A Report from The Commission on America's National Interests*, Washington, DC: Commission on America's National Interests, July 2000; David Shambaugh, *China Goes Global: The Partial Power* (New York: Oxford University Press, 2013).

to Robert D. Blackwill and Ashley J. Tellis, China is attempting to challenge the American primacy, supremacy, and hegemony in eight aspects: “1) replace the United States as the primary power in Asia; 2) weaken the U.S. alliance system in Asia; 3) undermine the confidence of Asian nations in U.S. credibility, reliability, and staying power; 4) use China’s economic power to pull Asian nations closer to PRC geopolitical policy preferences; 5) increase PRC military capability to strengthen deterrence against U.S. military intervention in the region; 6) cast doubt on the U.S. economic model; 7) ensure U.S. democratic values do not diminish the CCP’s hold on domestic power; and 8) avoid a major confrontation with the United States in the next decade.”¹⁷² Those have clearly illustrated how China’s rise will undermine the US dominance and end its unipolar moment, and why the US has tried to do what it can do to reverse, delay and undermine the rise of China. It is true that as China’s growing economic and military power is disrupting the existing Asian security architecture and shaping a new regional order that erodes Washington’s power and influence in the region. In particular, Beijing’s increasing assertiveness in the East and South China seas and its global expansion is perceived as an unprecedented challenge to Washington’s global dominance. If China’s rising power continues to grow, it is predictable that this would eventually ‘end’ American hegemonic status and unipolar moment in the coming decades. Accordingly, there is a consensus among scholars and policymakers in Washington that China’s rise is one of the most dangerous challenges for the US to preserve its global hegemony in the 21st century.¹⁷³

Confronting the China challenge, the US has adopted a more hawkish foreign policy to maintain and reinforce the American primacy in Asia-Pacific, posing a great challenge to Beijing. After President Obama took office, Washington announced a Pivot to Asia strategy to reaffirm its strategic interests in Asia and rebalance China’s rising role that signals a landmark shift in US foreign policy from ‘engaging China’ to ‘containing China’.¹⁷⁴ To underpin its Pivot to Asia strategy, Washington also

172. Robert D. Blackwill and Ashley J. Tellis, ‘Revising US Grand Strategy toward China,’ (Washington: Council on Foreign Relations, 2015), p. 19.

173. See Rosemary Foot and Andrew Walter, *China, the United States, and Global Order* (Cambridge: Cambridge University Press, 2010); Michael D. Swaine, *America's Challenge: Engaging a Rising China in the Twenty-First Century* (Washington, DC: Carnegie Endowment, 2011); John J. Mearsheimer, ‘China's Unpeaceful Rise,’ *Current History* 105, no. 690 (2006), p. 160.

174. Nina Silove, ‘The Pivot before the Pivot: US Strategy to Preserve the Power Balance in Asia,’ *International Security* 40, no. 4 (2016): 45-88.

projected the economic offensive against Beijing by reshaping the global trading regime through the TPP and TTIP that exclude China. The US containment and encirclement of China posed a great threat to Beijing's national security interests.

When President Trump came into office in 2017, Washington not only fortified its containment strategy against China by establishing a wider anti-China coalition under the Indo-Pacific strategy,¹⁷⁵ but it also sought to challenge 'one-China' principle by approving the Taiwan Travel Act¹⁷⁶ that remains the foundation of Sino-US relations and Beijing's non-negotiable core interest. More recently, the Trump Administration released the US national security strategy and it puts: "China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity".¹⁷⁷ It is the first time for Washington to officially label China as a competitor and adversary in every realm despite the wide-ranging bilateral cooperation in "safeguarding world peace and stability and promoting global development and prosperity".¹⁷⁸ In particular, Washington's intention to revitalize the Quadrilateral security alliance of the US, Japan, India and Australia, which was first proposed in 2007 by Japanese Prime Minister Shinzo Abe to promote strategic dialogue and military cooperation in the Indo-Pacific region in response to China's growing power and expanding influence, severely endangers Beijing's security and geopolitical environment.

The intensifying Sino-US strategic rivalry has presented a serious security dilemma for China.¹⁷⁹ How does China as a rising power tackle its security and

175. Aaron Jed Rabena, 'Is the "Indo-Pacific" Construct Trump's Pivot to Asia Policy?,' *Center for Strategic and International Studies*, 16 February 2018,

<https://www.csis.org/analysis/pacnet-13-indo-pacific-construct-trumps-pivot-asia-policy>.

176. Xinhua News Agency, 'China Opposes Taiwan Travel Act passed by US,' *Xinhua News Agency*, 17 January 2018,

http://www.xinhuanet.com/english/2018-01/17/c_136902592.htm.

177. The White House, 'The National Security Strategy of the America of United States,' *The White House*, 18 December 2017,

<https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>.

178. See Baijie An, 'Xi Tells Obama He Wants to Expand US Ties,' *China Daily*, 1 December 2017, http://www.chinadaily.com.cn/china/2017-12/01/content_35147800.htm.

179. See Andrew J. Nathan and Andrew. Scobell, *China's Search for Security* (New York: Columbia University Press, 2015); John Herz, 'Idealist Internationalism and the Security

geopolitical challenges, manage its complex relations with Washington as the only superpower, and secure its core interests towards achieving a peaceful rise? This thesis contends that regional multilateralism serves as a vital means for Beijing to reshape the international relations inside and outside institutions, ensuring its security and advancing its key foreign policy objectives. Soft balancing theory suggests that as the traditional hard balancing is too risky and costly, secondary powers may adopt a soft balancing strategy to counter the pressure, coercion and threats from the hegemon through economic, political, diplomatic, and institutional means.¹⁸⁰ With limited military capabilities to match Washington's military primacy, it is apparently not optimal for Beijing to adopt a traditional hard balancing strategy such as military buildup, military alliances and coalition, and transfer of arm and military technology to US's enemies against the American hegemony. Thus, Beijing is strongly motivated to pursue a soft balancing strategy to counter the perceived threat from Washington through institutional methods. Confronting with various security and geopolitical challenges, regional multilateral cooperation that helps enhance an asymmetric interdependence are strategically and tactically used by Beijing as a vehicle of soft balancing to delay, frustrate and undermine the US dominant power, reassure those states of the benign nature of its rising power, and deter the formation of any anti-China coalition and 'all but China'. In this respect, regional multilateralism provides a new approach for Beijing to reshape the international relations inside and outside the institutions, manage its complicated relations with Washington and other major powers and achieve its peaceful rise.

Promoting international status

Promoting international status is a key to enhancing the political identity and normative legitimacy of China's rising power in the global system. When an emerging power, like Beijing, considerably raises its economic, political and military

Dilemma,' *World Politics* 2, (1950): 157-180; Robert Jervis, 'Cooperation under the Security Dilemma,' *World Politics* 30, (1978): 189-214.

180. On the soft balancing theory, see Robert Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45; Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46-71; Stephen G. Brooks, William C. Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108; Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518.

power, it becomes unsatisfied with the status quo and aspires to promote its international status and prestige. Legitimizing its rising power status¹⁸¹ can be achieved through a normative or/and institutional transformation.¹⁸² Deborah Welch Larson and Alexei Shevchenko argue that Beijing's and Moscow's foreign policies in the post-Cold War era have been driven by a consistent objective, restoring their great power status.¹⁸³ In an attempt to enhance their relative international standing in the US-led liberal order, both Beijing and Moscow, on the one side, sought to partly adapt to the Western norms and values in order to gain the recognition of their 'universal' identity and legitimize their prominent status in the international community. On the other side, they also intended to construct their 'distinctive' identity and enhance political legitimacy of their rising power through diverse methods, including institution building, norm diffusion, and participation in global governance.¹⁸⁴ Furthermore, while engaging in a 'social' competition for norms, influence and prominent status, the desire for great power status may motivate rising powers like Beijing to shoulder more global responsibility and provide more public goods to

181. On China search for political identity and legitimacy, see Yongjin Zhang, 'China and the Struggle for Legitimacy of a Rising Power,' *The Chinese Journal of International Politics* 8, no. 3 (20015): 301-322; Emilian Kavalski, 'The Struggle for Recognition of Normative Powers: Normative Power Europe and Normative Power China in Context,' *Cooperation and Conflict* 48, no. 2 (2013): 247-267; Xiaoming Zhang, 'A Rising China and the Normative Changes in International Society,' *East Asia* 28, no. 3 (2011): 235-246.

182. Evelyn Goh, *The Struggle for Order: Hegemony, Hierarchy, and Transition in Post-Cold War East Asia* (Oxford: Oxford University Press, 2013); Tudor A. Onea, 'Between Dominance and Decline: Status Anxiety and Great Power Rivalry,' *Review of International Studies* 40, no. 1 (2014): 125-152.

183. On China's search for international status, see Deborah Welch Larson and Alexei Shevchenko, 'Status Seekers: Chinese and Russian Responses to US Primacy,' *International Security* 34, no. 4 (2010): 63-95; Yong Deng, *China's Struggle for Status: The Realignment of International Relations* (Cambridge: Cambridge University Press, 2008).

184. See Yongjin Zhang, 'The English School in China: A Travelogue of Ideas and their Diffusion,' *European Journal of International Relations* 9, no. 1 (2003): 87-114; Gerald Chan, Pak K. Lee and Lai-Ha Chan, *China Engages Global Governance: A New World Order in the Making?* (London: Routledge, 2011); Weifeng Zhou and Mario Esteban, 'Beyond Balancing: China Approach towards the Belt and Road Initiative,' *Journal of Contemporary China*, 2018; Mingjiang Li, 'Rising from within: China's Search for a Multilateral World and its Implications for Sino-US Relations,' *Global Governance* 17, no. 3 (2011): 331-351.

enhance the political identity and normative legitimacy of their rising power in the global order.

Indeed, China has a consistent objective of restoring its great power status and intensified its effort to achieve that goal. It is not just because of its historic position in the world, but also because of its huge population, geographic size, economic weight and growing role in regional and global affairs. In the early 1970s, China was given a permanent seat in the UN Security Council (UNSC), enabling it to exert its power and influence regionally and globally with consequent enhancement of its power status in the international system. Since the end of the Cold War, China adopted a 'keeping a low profile' foreign policy and maintained a reactive stance towards global institutions for two reasons. First, while striving to integrate into the US-dominated international order, Beijing desired to maximize its material power, hide its true strength and downplay its role in the international arena in order to focus on its economic transition and reforms and avoid any conflict with Washington.¹⁸⁵ Second, China had neither material power nor political influence during the early stage of reform and opening up to assert its role in global governance. When China's growing economic and military power has enabled it to play a greater role in Asian and global affairs, Beijing has sought ways to promote its distinctive status and identity in the international order. Meanwhile, Chinese foreign policy has dramatically shifted from 'keeping a low profile' to 'striving for achievements' in the era of Xi Jinping that demonstrates Beijing's aspiration to assume a more prominent global leadership role and promote its international status.¹⁸⁶ Participation in global governance is a feasible way for Beijing to achieve its goals. China's UNSC membership and its growing material power have made it become fundamentally relevant to all the global multilateral institutions such as the World Bank, the IMF, and the WTO.

185. Michael Pillsbury, *The Hundred-year Marathon: China's Secret Strategy to Replace America as the Global Superpower* (New York: Henry Holt and Company, 2015); Yuwen Deng, 'How to Understand China's Foreign Policy,' *Foreign Policy*, 23 April 2013, <http://foreignpolicy.com/2013/04/23/how-to-understand-chinas-foreign-policy/>.

186. On the shift of China's foreign policy under Xi Jinping, see David M. Lampton, *Following the Leader: Ruling China, from Deng Xiaoping to Xi Jinping* (Berkley, CA: University of California Press, 2014); Jian Zhang, 'China's New Foreign Policy under Xi Jinping: towards 'Peaceful Rise 2.0'?', *Global Change, Peace & Security* 27, no. 1 (2015): 5-19; Yongjin Zhang, 'Introduction: Dynamism and Contention: Understanding Chinese Foreign Policy under Xi Jinping,' *International Affairs* 92, no. 4 (2016): 769-772.

Although Beijing has actively engaged in a number of international institutions, but it is too difficult to find a 'rightful place' in the US-dominated global system in which Washington remains the largest donor and provider of public goods and maintains dominant influence. While those global institutions are not perceived as a feasible way to advance Beijing's interests and promote its power status in the international order, it attempted to create new regimes and institutions or strengthen alternatives such as the BRICS, New Development Bank (NDB), the SCO, the BRI, and AIIB. NDB President Kundapur Vaman Kamath said: "our objective is not to challenge the existing system as it is but to improve and complement the system in our own way".¹⁸⁷ Indeed, Bretton Woods institutions such as the World Bank, the IMF and Asian Development Bank dominated global economic order for decades. China's efforts to establish new regional multilateral regimes and institutions such as the BRI and AIIB will not only enhance its global leadership role in the exiting international system and promote its great power status, but also help reshape global governance system towards a more inclusive and fairer international order. In his speech at the 2017 World Economic Forum, Xi Jinping points out: "The global economic landscape has changed profoundly in the past few decades. However, the global governance system has not embraced those new changes and is therefore inadequate in terms of representation and inclusiveness."¹⁸⁸ It clearly reflected Beijing's aspiration to play a greater role in global affairs and promote its international status in the existing global system.

Regional multilateralism provides an alternative way for Beijing to transform the existing global system, enhance its global leadership role and promote its great power status. While Beijing becomes increasingly powerful in material power,¹⁸⁹ it is attempting to change the rules and norms governing the global system to legitimize its identity and power status. Randall Schweller and Xiaoyu Pu argue that a peer competitor like China that does not possess the military capabilities to directly

187. Shannon Tiezzi, 'Don't Forget About the New BRICS Bank,' *The Diplomat*, 22 July 2015, <http://thediplomat.com/2015/07/dont-forget-about-the-new-brics-bank/>.

188; World Economic Forum, 'President Xi's Speech to Davos,' *The World Economic Forum*, 17 January 2017, <https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>.

189. Robert Gilpin, *War and Change in World Politics* (Princeton: Princeton University Press, 1981), p. 187.

challenge the US hegemony through hard balancing seeks to create a new international order by shaping a revisionist counterhegemonic coalition and delegitimizing the hegemon's global authority.¹⁹⁰ In this context, China has strong incentive to forge an interest-based coalition to raise its bargaining power and to reshape the global governance system by either joining existing multilateral institutions or initiating new multilateral institutions.¹⁹¹ This partly provides an answer to the question of how China as a rising power to transform the US-dominated global order and system and promote its international status. As international regimes and institutions that help construct political identity and normative authority of power provides a vital instrument to contest for power, influence, and global leadership between great powers and realize a power transition between a rising power and a declining power, establish and promote regional multilateral cooperation in Asia and beyond provide an alternative approach for Beijing to build its distinctive identity, legitimize its rising power and promote international status in the global system. More importantly, as the rise of China as a non-western power is considered a potential 'threat' to the US-dominated global system, regional multilateralism offers a new paradigm for Beijing to transform the US-dominated system and consolidate its global leadership role towards a peaceful rise.

190. See Randall L. Schweller and Xiaoyu Pu, 'After Unipolarity: Chinas Visions of International Order in an Era of U.S. Decline,' *International Security* 36, no. 1 (2011): 41-72.

191. On the legitimacy of global governance, see Jan Aart Scholte, 'Towards Greater Legitimacy in Global Governance,' *Review of International Political Economy* 18, no. 1 (2011): 110-120; James Brassett and Eleni Tsingou, 'The Politics of Legitimate Global Governance,' *Review of International Political Economy* 18, no. 1 (2011): 1-16.

CHAPTER THREE

ASYMMETRIC INTERDEPENDENCE AND INSTITUTIONAL BALANCING: CHINA'S APPROACH TOWARDS REGIONAL MULTILATERALISM IN EAST ASIA

Introduction

Since the end of the Cold War, the US has played a dominant role in East Asia, however, China's rising economic and military power is shaping a new regional order in a way that undermines the US's prominent position in the region.¹⁹² The changing balance of power in East Asia triggered a debate about whether China will be the next hegemon to dominate East Asia, and whether a 'Thucydides' Trap' between Beijing and Washington will be unavoidable.¹⁹³ While China's rise is viewed as a serious threat to the established regional order,¹⁹⁴ Washington has devised a containment strategy against China that presents a stark security dilemma for China as a peer-competitor on how to manage its complicated relations with the US and its Asian neighbors and achieve its strategy of peaceful rise.

192. Victor D. Cha, 'Powerplay: Origins of the US Alliance System in Asia,' *International Security* 34, no. 3 (2010): 165-166.

193. See Thomas J. Christensen, 'Fostering Stability or Creating a Monster? The Rise of China and US Policy toward East Asia,' *International Security* 31, no. 1 (2006): 81-126; Charles Glaser, 'Will China's Rise Lead to War? Why Realism does not Mean Pessimism,' *Foreign Affairs* 90, no. 2 (2011): 80-91; Suisheng Zhao, 'A New Model of Big Power Relations? China-US Strategic Rivalry and Balance of Power in the Asia-Pacific,' *Journal of Contemporary China* 24, no. 93 (2015): 377-397.

194. For example, see Robert G. Sutter, 'Assessing China's Rise and US Leadership in Asia: Growing Maturity and Balance,' *Journal of Contemporary China* 19, no. 65 (2010): 591-604; John J. Mearsheimer, 'The Gathering Storm: China's Challenge to US Power in Asia,' *The Chinese Journal of International Politics* 3, no. 4 (2010): 381-396; Aaron L. Friedberg, 'The Future of U.S.-China Relations: Is Conflict Inevitable?,' *International Security* 30, no. 2 (2005): 7-45.

Since the mid-1990s, China has adopted a proactive attitude towards regional multilateralism and emerged a major actor in establishing, developing and institutionalizing regional multilateral cooperation in East Asia.¹⁹⁵ Currently, China has embraced various regional multilateral institutions such as Asia-Pacific Economic Cooperation (APEC), ASEAN Regional Forum (ARF), ASEAN plus Three, ASEAN plus One, East Asia Summit (EAS), and Trilateral Summit (China-Japan-Korea) that marks a major shift in Chinese foreign policy. China's turn from bilateralism and multilateralism to regional multilateralism attracted wide attention among scholars and policymakers. What are the motivations and calculations behind China's growing engagement with regional multilateral institutions in East Asia? And how successful is China's approach towards regional multilateralism in dealing with the Sino-US competition in East Asia?

There is an extensive literature on explaining China's activism in regional multilateral institutions. Some scholars argue that China's strategy towards regional multilateralism is strongly driven by domestic politics,¹⁹⁶ as securing a peaceful and stable international environment for economic development and political stability remains a top priority of Chinese foreign policy.¹⁹⁷ Some scholars contend that China makes use of regional multilateral institutions to strategically reassure its Asian neighbours of the peaceful intention of China's rise and enhance its position in the Sino-US power competition in East Asia.¹⁹⁸ Other scholars point out that China

195. On China's foreign policy and regional multilateralism, see Emilian Kavalski, *China and the Global Politics of Regionalization* (London: Routledge, 2016); Guoguang Wu and Helen Lansdowne, *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2007).

196. Yunling Zhang and Shiping Tang, China's Regional Strategy, in David Shambaugh, *Power Shift: China and Asia's New Dynamics* (Berkeley: University of California Press, 2005), pp. 48-70; Yunling Zhang, *China and Asian Regionalism* (Singapore: World Scientific Publishing, 2010).

197. Jisi Wang, 'China's Search for Stability with America,' *Foreign Affairs* 84, no. 5 (2005): 39-48; Suisheng Zhao, 'China's Approaches toward Regional Cooperation in East Asia: Motivations and Calculations,' *Journal of Contemporary China* 20, no. 68 (2011): 53-67.

198. For example, see David Shambaugh, 'China Engages Asia: Reshaping the Regional Order,' *International Security* 29, no. 3 (2005): 64-99; Xuefeng Sun, 'Why does China Reassure South-East Asia,' *Pacific Focus* 24, no. 3 (2009): 298-316.

attempts to limit the US's ability to project power in East Asia through the institutionalization of regional multilateral cooperation.¹⁹⁹

This chapter argues that China's proactive involvement in regional multilateral institutions is a strategic adaption to the new power dynamics of East Asia. Its growing engagement with regional multilateralism is strongly motivated by a strategy of institutional balancing to counter the US's dominance in East Asia, since deepening and broadening regional multilateral cooperation within a set of institutions allows it to establish asymmetric economic interdependence over other East Asian states, to reassure those Asian states of its benign intentions and to deter the formation of an anti-China coalition. According to Robert Pape, Thazha V. Paul, and Stephen G. Brooks and William C. Wohlforth,²⁰⁰ secondary states have strong incentive to undertake a strategy of soft balancing against the hegemon when the latter's actions and intentions are perceived as hostile and pose a direct or potential threat to its national interests. While traditional hard balancing is too costly and risky for secondary states to directly challenge the US's military preponderance, international institutions are used by secondary powers as a key instrument to delay, frustrate and undermine the US's hegemonic power.²⁰¹

He Kai further illustrated how states engage in balancing against a potential or existing hegemon and ensure their security through establishing, utilizing and dominating multilateral institutions,²⁰² as those institutions help build interdependence between the states and shape common interests and demands towards a common objective. This particularly applies to regional multilateral institutions.

199. See Gilbert Rozman, 'Post-Cold War Evolution of Chinese Thinking on Regional Institutions in Northeast Asia,' *Journal of Contemporary China* 19, no. 66 (2010): 605-620; Rosemary Foot, 'Chinese Strategies in a US-hegemonic Global Order: Accommodating and Hedging,' *International Affairs* 82, No. 1 (2006): 77-94.

200. On the soft balancing theory, see Robert Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45; Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46-71; Stephen G. Brooks, William Curti Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108.

201. Robert O. Keohane, *After Hegemony* (Princeton: Princeton University Press, 1984).

202. He Kai, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518.

While the dynamic interaction of states inside and outside institutions can reshape the international relations at a regional and global level, institutional balancing can be undertaken inclusively or exclusively, depending on whether the hegemon is kept inside or outside the institutions. Given the gap in military capabilities between Beijing and Washington, any form of hard balancing is not optimal for Beijing despite its perceived threat from Washington. Hence, regional multilateralism serves as a new vehicle of institutional balancing for Beijing to counterbalance Washington's dominant power without causing a direct military conflict and achieve its peaceful rise.

Institutional balancing, built on the tenets of neorealism and neoliberalism, provides a convincing explanation for the strategic calculations behind China's approach towards regional multilateralism in East Asia. This chapter argues that regional multilateral institutions are strategically and tactically used by China as a means of institutional balancing to exclusively undermine the US's dominance. The logic of institutional balancing lies in establishing asymmetric interdependence over its Asian neighbors; enhancing strategic reassurance in East Asia; and deterring the formation of any anti-China coalition in the region. However, China's search for a strategy of soft balancing against the US may be constrained when it involves a complicated power game between Beijing, Washington and other Asian states. In order to prevent any single power from dominating this region, most East Asian states pursue a hedging strategy to maintain strategic balance between Beijing and Washington for preserving autonomy. However, those East Asian states, holding territorial disputes or geostrategic rivalry with Beijing, intend to align with Washington to counter Beijing's rising power, limiting Beijing's efforts to undertake a strategy of soft balancing against Washington.

To further explore the motivations and calculations behind China's engagement in regional multilateralism in East Asia, this chapter is divided into five sections. Section one gives a brief overview of the main questions and arguments upon China's activism in regional multilateral cooperation in East Asia. Section two illustrates the concept of regional multilateralism and the theoretical foundation of institutional balancing. Section three provides insight into China's growing involvement in various regional multilateral cooperation and institutions in East Asia. Section four explores the rationales behind China's use of regional multilateral institutions as a vehicle of institutional balancing in three dimensions: establishing asymmetric interdependence over its Asian neighbors; reassuring East Asian states of the benign nature of China's

rise; and deterring the formation of any anti-China coalition and countering US influence in the region. Section five presents the conclusions by highlighting the success and limits of institutional balancing.

Conceptualizing regional multilateralism and institutional balancing

Regional multilateralism has emerged as a new paradigm in the contemporary international relations as multilateral institutions can not only affect the state's foreign policy behavior but also reshape the international relations between the states inside and outside institutions and the balance of power in the existing international system. According to Robert Keohane,²⁰³ multilateralism is defined as the practice of coordination, cooperation and collaboration in certain policy areas among three or more states through ad hoc agreements, conventions and arrangements. John G. Ruggie suggests that multilateralism refers to an institutional form to enhance coordination, cooperation and collaboration among the states on the constitutive principles of indivisibility, generalization, and reciprocity.²⁰⁴ While unilateralism refers to "any doctrine or agenda to support one-side action and measure" benefiting the unilateralists' own 'self',²⁰⁵ multilateralism in the form of multilateral agreements, arrangements and institutions is set to bind various actors to collectively coordinate relevant policy areas towards a common objective. Accordingly, regional multilateral institutions provide a vital mechanism to shape preference, monitor behavior, confer legitimacy, and facilitate cooperation in dealing with internal challenges and external threats, serving common interests, common demands and common autonomy²⁰⁶ of all the involved states. The existing literatures explain the emergence of regional

203. See Robert O. Keohane, 'Multilateralism: An Agenda for Research,' *International Journal* 45, no. 4 (1990): 731.

204. John G. Ruggie, 'Multilateralism: The Anatomy of an Institution,' *International Organization* 46, no. 3 (1992): 561-598.

205. Miles Kahler, 'Multilateralism with Small and Large Numbers,' *International Organization* 46, no. 3 (1992): 681-708.

206. Regional multilateral institutions provide a key mechanism for common interests, common demands and common autonomy, see Julie Gilson, 'Complex Regional Multilateralism: Strategising' Japan's Responses to Southeast Asia,' *The Pacific Review* 17, no. 1 (2004): 71-94.

multilateralism in three aspects: the prevailing demand of globalization;²⁰⁷ the malfunction of the multilateral system;²⁰⁸ and the changing balance of power.²⁰⁹ Among them, power balancing is a key element in shaping state's preferences for regional multilateral institutions.

In the IR theories, the balance of power is the most influential theory of the realist school of thought. According to Kenneth Waltz,²¹⁰ balancing behaviour may occur when the potential or existing hegemon is perceived as a threat by weaker states and those states are motivated to form a balancing coalition to counter the perceived threat from the hegemon. However, traditional hard balancing is a too costly and risky option for weaker states, particularly secondary states, to achieve their goals due to the proliferation of weapons of mass destruction and growing economic interdependence among the states. In this respect, soft balancing gained prominence in international politics. Instead of resorting to military means, secondary states often pursue a strategy of soft balancing through economic, diplomatic and institutional methods such as economic cooperation, diplomatic coalition and regional institutions to counter the coercion and threats of the hegemon.²¹¹

207. For example, see James H. Mittelman, 'Rethinking the New Regionalism in the Context of Globalization,' *Global Governance* 2, no. 2 (1996): 189-213; Mark Beeson, *Regionalism and Globalization in East Asia: Politics, Security and Economic Development* (New York: Palgrave Macmillan, 2014).

208. See Lisa L. Martin, 'Interests, Power, and Multilateralism,' *International Organization* 46, no. 4 (1992): 765-792; Frank C. Schuller and Thomas D. Grant, 'Multilateralism, Unilateralism and Managing American Power,' *International Affairs* 79, no. 1, (2003): 37-51.

209. For example, see Stephan Keukeleire and Bas Hooijmaaijers, 'The BRICS and other Emerging Power Alliances and Multilateral Organizations in the Asia-Pacific and the Global South: Challenges for the European Union and its View on Multilateralism,' *Journal of Common Market Studies* 52, no. 3 (2014): 582-599; John G. Ikenberry, 'Is American Multilateralism in Decline?,' *Perspective on Politics* 1, no. 3 (2003): 533-550.

210. See Kenneth N. Waltz, *Theory of International Politics* (New York: Random House, 1979).

211. On the balancing behavior of secondary powers against the superpower, for example, see Matthew D. Stephen, 'Rising Regional Powers and International Institutions: The Foreign Policy Orientations of India, Brazil and South Africa,' *Global Society* 26, no. 3 (2012): 289-309; Daniel Flesmes and Steven E. Lobell, 'Contested Leadership in International Relations,' *International Politics* 52, no. 2 (2015): 650-657; Jack S. Levy and William R.

Institutional balancing as a new form of soft balancing contains two different forms of balancing: inclusive and exclusive institutional balancing. Inclusive institutional balancing may occur when the hegemon is perceived as a threat by weaker powers and those states form a balancing coalition to constrain the hegemon's behaviour by including it within the institution. Exclusive institutional balancing may emerge when those states shape a balancing coalition to counter the perceived threats from the hegemon by excluding it from the institution. Regional multilateral institutions that help overcome collective action problem allow secondary states such as China to establish strategic interdependence and shape an interest-based coalition to exclusively undermine its rivals. Therefore, institutional balancing lies in a fundamental element that the state is able to build asymmetric economic interdependence over other regional actors within institutions and to turn that into political leverage to reassure friends and rebalance foes for advancing its strategic interests.

While the unchecked hegemon tends to act unilaterally, small and secondary powers are more prone to align with each other within institutions in response to external threats. A shift of Chinese foreign policy from bilateralism and multilateralism to regional multilateralism reflects Beijing's strategic thinking on the Sino-US strategic rivalry and new power dynamics in East Asia. Regional multilateral institutions that strengthen a nexus of economic, political and security dimensions provide a way for Beijing to reshape the international relations and geopolitical balance of East Asia to its interests. Given its limited military capability to match that of the US, it seems definitively unwise for Beijing to challenge the American hegemony through traditional hard balancing such as military buildup, military cooperation, creation of military alliances, and arms sales to US's enemies. Instead, China pursues a strategy of soft balancing against the US through the establishment, promotion, and institutionalization of regional multilateral cooperation in East Asia, not only improving its security environment and enhancing its position in the Sino-US power competition but also building its power and influence in its periphery.

Based on the balance of power theory (neorealism) and the interdependence theory (neoliberalism), regional multilateral institution provides a new approach to reshape the international relations and has considerably influenced China's foreign

Thompson, 'Balancing on Land and at Sea: Do States Ally against the Leading Global Power?', *International Security* 35, no. 1 (2010): 7-43.

policy behavior. As regional multilateralism in East Asia is “still at a stage where it is best understood as an extension and intersection of national power and purpose,”²¹² regional multilateral institutions are strategically and tactically used by China as a means of soft balancing against the US. Institutional balancing is undertaken in three dimensions. First, China seeks to establish asymmetric economic interdependence over its Asian neighbours within regional multilateral institutions, enabling it to translate its economic power into political influence, gaining a greater share of power inside and outside those institution, and decreasing the share of power possessed by others. Second, China intends to reinforce its commitment to a peaceful rise by promoting regional multilateral cooperation towards regional prosperity and stability and accepting ‘self-constraint’ by complying with common rules, norms and principles within institutions. By doing so, Beijing reassures those Asian states of the benign nature of its rise, gaining recognition of its role as a responsible and peaceful power and increasing the US’s costs to contain the rise of China. Third, China attempts to deter East Asian states to form any anti-China coalition or join the US-led alliance to contain China, as asymmetric interdependence enables Beijing not only to limit any ‘hostile’ behaviour of those Asian states to endanger Beijing’s interests, but also to erode US’s ability to project power against Beijing and undermine its dominance.

China’s engagement in regional multilateralism in East Asia

Having launched the reform and open door policy in 1978, China reoriented its national development strategy to accelerate economic development by integrating into the world economic system. Since the early 1990s, Beijing nurtured ‘Good Neighbour Policy’ (*mulin youhao zhengce*) to enhance its economic and political ties with Asian neighbours.²¹³ China gradually became active in regional multilateral cooperation when it joined the Asia-Pacific Economic Cooperation (APEC) in 1991. At the same year, China joined the Council for Security and Cooperation in the Asia Pacific

212. Bates Gill and Michael Green, ‘Unbundling Asia’s New Multilateralism’ In Michael J. Green and Bates Gil, *Asia's New Multilateralism: Cooperation, Competition, and the Search for Community* (New York: Columbia University Press, 2009), p. 3.

213. Samuel C. Y. Ku, ‘China’s Changing Political Economy with Southeast Asia: Starting a New Page of Accord,’ *Asian Perspective* 30, no. 4 (2006): 113-140; Chung Chien-Peng, ‘The ‘Good Neighbour Policy’ in the Context of China’s Foreign Relations,’ *China: An International Journal* 7, no. 1 (2009): 107-123.

(CSCAP) and the Northeast Asia Cooperation Dialogue (NEACD) for promoting regional security cooperation. Also in July 1991, China was for the first time invited as a consultative partner to attend an ASEAN Foreign Minister's Meeting, where Chinese foreign minister, Qian Qichen, stressed China's willingness and commitment to foster regional prosperity, stability and peace through the regional multilateral cooperation. In 1994, China joined the ASEAN Regional Forum (ARF) as a founding member and formalized its relations with the ASEAN, demonstrating Beijing's growing interests in engaging with regional multilateral institutions.

When China's economy started to take off in the 1990s, Beijing sought to further strengthen its relations with Asian neighbours by institutionalizing regional multilateral cooperation. After multilateral institutions such as the World Bank and the IMF failed to provide an effective approach to overcome the Asia financial crisis in 1997, there was a consensus among the East Asian states on creating their own regional multilateral institutions for promoting cooperation and dialogue on regional economic and financial issues.²¹⁴ ASEAN Plus Three was launched in 1997 and China played a key role in establishing the first regional multilateral forum in East Asia. At the first ASEAN-China summit in 1997, Chinese President Jiang Zemin delivered a speech 'Towards a Good Neighbouring Partnership of Mutual Trust Oriented to the 21st Century'²¹⁵ that underlined Beijing's political commitments towards regional multilateral cooperation. In November 2000, Chinese Premier Zhu Rongji *proposed* the establishment of a *China-ASEAN free trade area* and this proposal was accepted later by all the ASEAN members. *China* was the first country to conclude a Free Trade Agreement (FTA) with ASEAN. China's proactive attitude towards ASEAN Plus one and ASEAN Plus Three was driven by a desire to further

214. For example, see Richard Stubbs, 'ASEAN plus Three, Emerging East Asian Regionalism?', *Asian Survey* 42, no. 3 (2002): 440-455; Michel Yahuda, China's Multilateralism and Regional Order, in Guoguang Wu and Helen Lansdowne, eds., *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2008): 1-20.

215. See the key documents, Ministry of Foreign Affairs, 'Towards a Good-Neighbourly Partnership of Mutual Trust Oriented to the 21st Century,' the Speech delivered by Chinese President Jiang Zemin, *Ministry of Foreign Affairs of China*, 16 December 1997, <http://www.fmprc.gov.cn/zd/jn/eng/zywj/t270546.htm>.

enhance its relations with Asian neighbours through the promotion of regional multilateral cooperation.²¹⁶

In 2001, the East Asian Vision Group (EAVG) called on ‘East Asia moving from a region of nations to a bona fide regional community with shared challenges, common aspirations, and a parallel destiny’.²¹⁷ Chinese government stated that the ASEAN Plus Three was a cornerstone for promoting regional integration and establishing an East Asian community.²¹⁸ As former Chinese Vice-Premier Qian Qichen stated: “China has made endeavours to promote the cause of regional cooperation in East Asia, because regionalism can provide a suitable framework for responding to the challenges of globalisation and can pave the way for proper governance that can eliminate ‘beggar thy neighbour’ competition among nation-states”.²¹⁹ In 2003, China also signed a declaration with Japan and South Korea to study the possibility of establishing a trilateral FTA within ten to fifteen years. Moreover, in September 2011, China, Japan and South Korea formally set up the *Trilateral Cooperation Secretariat*, which is the first regional multilateral institution in Northeast Asia.

Having soundly contributing to regional growth and prosperity, China’s active role in regional multilateral institutions helps advance its periphery strategy, generating goodwill among the Asian states and ensuring a stable and peaceful international environment. Meanwhile, China’s growing power and influence have

216. Yang Jiang, ‘China’s Pursuit of Free Trade Agreements: Is China Exceptional?’, *Review of International Political Economy* 17, no. 2 (2010): 238-261.

217. See *ASEAN Secretariat*, ‘Towards East Asian Community: Region of Peace, Prosperity and Progress,’ East Asian Vision Group (EAVG) Report, *ASEAN Secretariat*, 31 October 2001, www.aseansec.org/pdf/east_asia_vision.pdf.

218. Some scholars have also studied the vision of building an East Asian community, see Nick Thomas, ‘Building an East Asian Community: Origins, Structure, and Limits,’ *Asian Perspective* 26, no. 4 (2002): 83-112; Gwi Ok Kim, ‘Building a Peaceful East Asian Community: Origins of a Regional Concept and Visions for a Global Age,’ *Asian Perspective* 37, no. 2 (2013): 233-154; Xiaoming Zhang, ‘The Rise of China and Community Building in East Asia,’ *Asian Perspective* 30, no. 3 (2006): 129-148; Hidetaka Yoshimatsu, ‘The Rise of China and the Vision for an East Asian Community,’ *Journal of Contemporary China* 18, no. 62 (2009): 745-765.

219. Qichen Qian, ‘Toward a Bright Future of Regionalism,’ *Global Asia* 1, no. 1 (2006): 19-21.

generated a great deal of anxiety and suspicion in some of its Asian neighbours and in Washington.²²⁰ Despite Beijing's support for ASEAN's leading role in East Asian regional integration, all the ASEAN countries except Malaysia agreed to accept three non-East Asian members: India, Australia and New Zealand in the first East Asia Summit in 2005 that was considered a move to dilute and balance China's influence, reflecting those states' wariness of China's rising power and its aspiration for regional hegemony. With a 'Pivot to Asia' strategy, Washington sought to reaffirm its strategic interests and leadership in East Asia by re-establishing its alliance with Asian partners, strengthening its economic, military and political presence, and rebalancing China's rising role. In 2010, the EAS approved US's membership that displayed both Washington's and other Asian states' concerns about the rise of China. The cooperative and competitive relationship between Beijing, Washington and other Asian states highlighted new dynamics of international relations in East Asia.

China has actively engaged in various regional multilateral institutions in East Asia. At the 2011 annual meeting of the Boao Forum for Asia (BFA), Chinese president Hu Jintao stated:

“We will take an active part in 10+1, 10+3, the East Asia Summit and cooperation between China, Japan and the ROK [...] China will unswervingly follow the path of peaceful development and the win-win strategy of opening-up. We will always place Asia on top of our diplomatic agenda towards building good-neighbourly relationships and partnerships with our neighbours, and take vigorous steps to advance our good-neighbourliness and mutually beneficial cooperation with Asian countries and deepen mutual understanding and trust with them.”²²¹

After Xi Jinping took power, the Peripheral Diplomatic Work Forum on China's diplomacy towards the peripheral countries (*zhoubian guojia*) was held in October 2013 and all the members of the Standing Committee of the Central Politburo unprecedentedly attended this forum. Xi Jinping stressed the significance of consolidating regional multilateral cooperation in advancing China's strategic interests in Asia and periphery diplomacy has since then become a priority of China's

220. See Allen S. Whiting, 'ASEAN Eyes China: The Security Dimension,' *Asian Survey* 37, no. 4 (1997): 299-322; Denny Roy, 'Southeast Asia and China: Balancing or Bandwagoning?,' *Contemporary Southeast Asia* 27, no. 2 (2005): 305-322.

221. See Shasha Deng, 'Chinese President Hu Jintao's Speech at Opening Ceremony of Boao Forum,' *Xinhua News Agency*, 15 April 2011, http://news.xinhuanet.com/english2010/china/2011-04/15/c_13830786.htm.

foreign policy.²²² Nowadays, China has participated in all kinds of regional multilateral fora in East Asia and its growing enthusiasm for regional multilateralism has gone far beyond a pure economic agenda, but a ‘grand’ strategy of achieving its geo-economic, geopolitical and geostrategic goals.

The rationale behind China’s engagements with regional multilateral institutions in East Asia can be understood in three aspects. First, regional multilateral initiatives promise a wide economic agenda for maintaining its rapid economic growth, which is essential for Beijing to preserve domestic stability and development²²³ and to increase its capabilities to confront internal and external security challenges²²⁴. Second, Beijing intends to enhance political, economic and security ties with its Asian neighbors within regional multilateral institutions.²²⁵ Beijing’s commitments to regional multilateralism can not only reassure those Asian states of the benign nature of the rise of China but also balance American influence in the region. Third, promoting regional multilateral cooperation in East Asia helps Beijing transform its economic power into political power, enhancing the political legitimacy of its power and establishing its profile as a leading power in international arena.²²⁶ More importantly, asymmetric interdependence enables Beijing to project power and

222. See Mu Xuequan, ‘Xi Jinping: China to Further Friendly Relations with Neighboring Countries,’ *Xinhua News Agency*, 26 October 2013, http://news.xinhuanet.com/english/china/2013-10/26/c_125601680.htm.

223. See Alice D. Ba, ‘China and ASEAN: Renavigating Relations for a 21st-century Asia,’ *Asian Survey* 43, no. 4 (2003): 622-647; John Ravenhill, ‘Is China an Economic Threat to Southeast Asia?,’ *Asian Survey* 46, no. 5 (2006): 653-674.

224. M. Taylor Fravel, ‘China’s Search for Military Power,’ *The Washington Quarterly* 31, no. 3 (2008): 125-141.

225. See Cheng-Chwee Kuik, ‘Multilateralism in China’s ASEAN Policy: Its Evolution, Characteristics, and Aspiration,’ *Contemporary Southeast Asia: A Journal of International & Strategic Affairs* 27, no. 1 (2005): 102-122; Quansheng Zhao, ‘China and Major Power Relations in East Asia,’ *Journal of Contemporary China* 10, no. 29 (2010): 663-681.

226. International institutions are closely associated with the political legitimacy of power, see Michael Zürn and Matthew Stephen, ‘The View of Old and New Powers on the Legitimacy of International Institutions,’ *Politics* 30, Supplements1 (2010): 91–101; Ian Clark, ‘International Society and China: The Power of Norms and the Norms of Power,’ *The Chinese Journal of International Politics* 7, no. 3 (2014): 315–40; Yaqing Qin, ‘International Society as a Process: Institutions, Identities, and China’s Peaceful Rise,’ *The Chinese Journal of International Politics* 3, no. 2 (2010): 129-153.

influence in deterring other regional actors to form an anti-China coalition or join the US alliance against China.

Establishing asymmetric interdependence

Regional multilateral cooperation in East Asia has created considerable trade and investment opportunities for China and its Asian partners. The mounting economic relations between China and other East Asian countries have not merely lead to economic interdependence, but also to asymmetric economic interdependence,²²⁷ since the size and dynamism of the Chinese economy makes those relations much more relevant for the other East Asian countries than for China. Consequently, Beijing gained strategic leverage over other Asian states that can be used as a means of soft balancing against the US. Since the 1990s, the intra-regional trade and intra-regional FDI between China and its Asian neighbours have grown rapidly. As showed in the **Table 1 (see Appendix)**, China's trade with the other ASEAN+3 countries only comprised 25% of its total trade in 2013, almost equivalent to the sum of China's trade with the EU and the US, suggesting that Japan, ASEAN, and South Korea respectively comprise a lower share of China's total trade than the other way around, and both South Korea and Japan are losing relevance as trade partners for China. Although China's trade with Japan and South Korea has steadily increased in the past decades, the relative share of trade experienced a dramatic fall in the case of Japan since 1998, as China heavily diversified its exports to global markets after its accession to WTO. However, ASEAN's share in China's total trade has increased by 3.6% since 1998, reaching 10.9% in 2013 after the China-ASEAN FTA came into effect in January 2010. It is derived from this figure that those East Asian states depend on China much more than China depends on them, as China as a great

227. Regional multilateral cooperation prompts the economic interdependence among the states that is essential for Beijing to reshape the balance of power, reassuring friends and rebalancing foes, for example, see He Kai, 'Institutional Balancing and International Relations Theory,' 492; Miles Kahler and Scott L. Kastner, 'Strategic Uses of Economic Interdependence: Engagement Policies on the Korean Peninsula and Across the Taiwan Strait,' *Journal of Peace Research* 43, no. 5 (2006): 523-541; Paul A. Papayoanou and Scott L. Kastner, 'Sleeping with the (Potential) Enemy: Assessing the US Policy of Engagement with China,' *Security Studies* 9, no. 1/2 (2007): 157-187; Paul A. Papayoanou, *Power Ties: Economic Interdependence, Balancing, and War* (Ann Arbor, MI: Michigan University Press, 1999).

economic power has diversified its economy in a global context that remain a key element of asymmetric interdependence.

Table 2 (see Appendix) shows how China has become the largest trading partner of all East Asian states since 2007. The trade share also illustrates that East Asian states have been increasingly dependent on the Chinese economy. At the same time, it is observed that the US's position as the largest trade partner of Japan, South Korea, and ASEAN in 1998 has been clearly replaced by China since 2007, even if the US still remains Japan's second largest partner behind China, and South Korea's third largest partner. US's share in Japan's total trade experienced a sharp decrease from 27.8% in 1998 to 13.3 % in 2013, whereas China's share Japan's trade climbed from 8.6% to 20%. China's share of total ASEAN traded tripled from 4.3% to 12.1% between 1998 and 2007, peaking at 18.8% in 2013. South Korea's trade with China jumped from 8.2% in 1998 to 22% in 2007 and in 2013 exceeded the total share of South Korea's second and third largest partners: EU and Japan. The China-South Korea FTA, taken effect on 20 December 2015, may reinforce this trend. All the figures illustrate that those East Asian states become increasingly dependent on Beijing but less reliant on Washington. Apparently, Beijing's efforts in enhancing asymmetric interdependence over East Asian states have strategic implication for the Sino-US power competition in the region.²²⁸

China has surpassed Japan to become the world's second largest economy in 2011 and overtaken the US as the world's top trading nation in 2013. The institutionalization of regional multilateral cooperation not only promises expanded market access and increased FDI for China and its Asian neighbours, but also enhances political, cultural and social ties among East Asian states.²²⁹ The truth is that regional multilateral cooperation benefits small states economically but bigger states politically. Through regional multilateral cooperation, Beijing sought to establish strategic interdependence interlocking East Asian states and to reinforce an asymmetric linkage, so that those states become much more dependent on Beijing in

228. See Xiao Ren, 'Between Adapting and Shaping: China's Role in Asian Regional Cooperation,' *Journal of Contemporary China* 18, no. 59 (2009): 303-320.

229. Vinod K Aggarwal and Min Gyo Koo, eds, *Asia's New Institutional Architecture: Evolving Structures for Managing Trade, Financial, and Security Relations* (Berlin: Springer, 2008); Avery Goldstein and Edward Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (California: Stanford University Press, 2012); Yang Jiang, 'China's Pursuit of Free Trade Agreements,' 238-261.

economic and political terms while Beijing relies less on them. It enables Beijing to gain greater leverage and exert greater influence over those states to its strategic interests. Moreover, creating asymmetric interdependence over its Asian neighbours remains strategically vital for Beijing to reduce the economic and political interdependence between the US and those states and offset American influence in the region. The logic of asymmetric interdependence is rooted in a fact that it increases Beijing's power and influence but limits the rivals' ability to project power and influence. Even when the US increasingly engaged in regional multilateral initiatives such as East Asia Summit, the growing asymmetric interdependence helps enhance Beijing's position vis-à-vis Washington, since it serves as a strategic leverage to isolate, marginalize and undermine American influence in the region.

Beijing's persistent efforts to promote regional multilateral frameworks such as ASEAN Plus one, ASEAN Plus three and China-Japan-Korea Trilateral Summit have great importance for enhancing asymmetric interdependence over its Asian neighbours, building its power and political influence and eroding American dominance in the region. At the 2003 ASEAN summit, China formally joined the ASEAN's Treaty of Amity and Cooperation (TAC) and became the first non-ASEAN country to do so. Chinese Premier Wen Jiabao emphasized the importance of China-ASEAN strategic partnership for regional peace and prosperity and called for greater economic and political cooperation. This was an unprecedented step to build the comprehensive cooperation between China and ASEAN. Furthermore, China joined the Beijing-Tokyo-Seoul Trilateral Summit which was first proposed by South Korea in 2004 to enhance political mutual trust, narrow differences and reduce the risk of confrontation among three states. The creation of a trilateral mechanism serves China's interests to strengthen asymmetric interdependence over Japan and South Korea, as both states have become heavily dependent on trade and investment with China. For Beijing, trilateral cooperation can not only reduce the risk of confrontation among them but also weaken the US's alliance with Japan and South Korea, since both states rely on Beijing economically but ally with Washington for security.²³⁰

China has not only been the largest trading partner of all the East Asian states but also one of the most prominent investor in the region. According to China's Ministry

230. On regional cooperation in Northeast Asia, see Hidetaka Yoshimatsu, 'From Distrust to Mutual Interests? Emerging Cooperation in Northeast Asia,' *East Asia* 22, no. 22 (2005): 18-38; Suisheng Zhao, *China and the United States: Cooperation and Competition in Northeast Asia* (New York: Palgrave Macmillan, 2008).

of Commerce, China's outward FDI reached about \$103 billion in 2014 and over 68% of Chinese overseas investments flowed to Asia.²³¹ As of now, China has become the largest foreign investors in Myanmar, Laos, Cambodia and Indonesia. China's growing investments in the region helps to enhance an asymmetric linkage over those Asian states and therefore to expand its influence. In 2009 and 2010, two Chinese State-Owned Banks, namely China Development Bank (CDB) and Export-Import Bank of China (China Eximbank), granted loans for more than \$110 billion to other developing countries, some East Asian countries are among the major beneficiaries. That sum exceeded that of the loans extended by institutions of the Bretton Woods system for those years.²³² More recently, China initiated the BRICS New Development Bank (NDB), the Asia Infrastructure Investment Bank (AIIB) and the Silk Road Fund (SRF) to provide loans for infrastructure development in other emerging economies and developing countries across the region. The launching of multilateral financial institutions enables Beijing not only to further propel asymmetric interdependence between China and other regional actors, it also can counter the influence of Western-based multilateral financial institutions such as the World Bank and International Monetary Fund and establish its power and influence in East Asia and beyond.²³³

Enhancing strategic reassurance in East Asia

China's fast growing power and influence has triggered a wide-ranging debate over the implications of China's rise for East Asia,²³⁴ causing unease and suspicions

231. For more information, see Ministry of Commerce of China, National Bureau of Statistics of the People's Republic of China, State Administration of Foreign Exchange, *2013 Statistical Bulletin of China's Outward Foreign Direct Investment* (Beijing: China Statistics Press, 2014).

232. Geoff Dyer, Jamil Anderlini and Henny Sender, 'China's Lending Hits New Heights,' *The Financial Times*, 17 January 2011, www.ft.com/cms/s/0/488c60f4-2281-11e0-b6a2-00144feab49a.html.

233. For example, see David M. Smick, 'Is China's New AIIB A Clever Ploy?,' *International Economy* (2015); Mzukisi Qobo and M. Soko, 'The Rise of Emerging Powers in the Global Development Finance Architecture: The Case of the BRICS and the New Development Bank,' *South African Journal of International Affairs* 22, no. 3 (2015): 1-12.

234. See Barthélémy Courmont, 'Promoting Multilateralism or Searching for a New Hegemony: A Chinese Vision of Multipolarity,' *Pacific Focus* 27, no. 2 (2012): 184-204;

among Asian states, even if Chinese leaders repeatedly voice that China does not and will never pursue hegemony and China's rise will not threaten regional stability and prosperity. The concept of China's 'peaceful rise' and 'China's peaceful development' was first proposed by Chinese scholar Zheng Bijian²³⁵ and was then reiterated by Chinese President Hu Jintao to rebut against the 'China threat' theory. Beijing's emphasis on the benign nature of China's rise implicitly reflects its growing concerns about its Asian neighbours' threat perception. The perceptions on a potential hegemon's intentions may determine other regional actors' strategic choices (bandwagoning, hedging or balancing) and therefore can influence quite dramatically China's security environment.²³⁶ If China's rise is perceived as hostile instead of benign, Asian states will pursue a balancing strategy through the alliance formation to contain China's rising power and influence by isolation, marginalization and boycotting.²³⁷ If China is perceived as a benign, peaceful and responsible power, Asian states will adopt a positive attitude towards China's growing role that will reduce the risk and costs of achieving its peaceful rise and increase that of the US and its allies of containing the rise of China.

Randall L. Schweller and Xiaoyu Pu, 'After Unipolarity: Chinas Visions of International Order in an Era of U.S. Decline,' *International Security* 36, no. 1 (2011): 41-72; Jeffrey W. Legro, 'What China Will Want: The Future Intentions of a Rising Power,' *Perspective on Politics* 5, no. 5 (2007): 515-534; Kar Ming Yu, 'Rethinking China's Relations with East Asian Powers: Old and New Problems,' *China: An International Journal* 12, no. 2 (2014): 14-30; David C. Kang, *China Rising: Peace, Power, and Order in East Asia* (New York: Columbia University Press, 2007).

235. Bijian Zheng, 'China's 'Peaceful Rise' to Great-power Status,' *Foreign Affairs* 84, no. 5 (2005): 18-24.

236. For example, see Yong Deng, 'Hegemon on the Offensive: Chinese Perspectives on U.S. Global Strategy,' *Political Science Quarterly* 116, no. 3 (2001): 343-365; John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001).

237. On the dynamic relations between Beijing, Washington and other Asian states, see Denny Roy, 'Southeast Asia and China: Balancing or Bandwagoning?,' *Contemporary Southeast Asia* 27, no. 2 (2005): 305-322; Evelyn Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,' *International Security* 32, no. 3 (2008): 113-157; John D. Ciorciari, 'The Limits of Alignment: Southeast Asia and the Great Powers since 1975,' *South East Asia Research* 85, no. 3 (2015): 669-670; Rodolfo C. Severino, 'Southeast Asia and the Great Powers,' *South East Asia Research* 18, no. 4 (2010): 793-796.

Confronting internal and external security challenges, Beijing seeks to enhance strategic assurance in East Asia through regional multilateral institutions for reducing the perception of ‘China threat’ and advancing its security interests. In 1990s, Washington sought to reorient its East Asia strategy by committing to enhance its alliance with Japan and Australia and to maintain 100, 000 troops in the Asia Pacific in response to possible ‘China threat’. That was considered a major factor leading China to join the ARF for diminishing its strategic pressure.²³⁸ From the western viewpoint, China’s participation in international institutions helps ‘socialize’ China, contain its expansionism and transform it into a responsible power in the international society.²³⁹ Also, from the Chinese perspective, participation in regional multilateral cooperation such as the ARF, ASEAN plus one, ASEAN plus three and EAS helps not only dissipate the scepticisms about China’s hegemonic aspiration in East Asia, but also block initiatives that would jeopardize China’s national interests and exert its influence over the agenda-setting process within institutions. As Wang Jianwei points out that “participation in multilateral cooperation could be a more effective means to dispel the perception of ‘China threat’ than frequent reiteration of the pledge that China will not pursue hegemon”.²⁴⁰

China’s proactive engagement in regional multilateral cooperation has to some extent proven effective in reassuring its Asian neighbours. During the Asian financial crisis, China’s rejection to devalue its currency and its role in countering financial crisis and creating the ASEAN plus three were highly acknowledged by all the East Asian states. That has greatly enhanced its profile as a responsible power. China’s active participation in the Trilateral Cooperation also helps to reassure Tokyo and Seoul, Washington’s two key allies, of its peaceful intentions that can build mutual trust and reduce tensions between them, promoting peace in Northeast Asia. Even Beijing intends to strategically reassure Washington of its aspiration for ‘peaceful development’ rather than hegemonic status through regional multilateral fora in order

238. See Thomas J. Christensen, ‘China, the US Japan Alliance, and the Security Dilemma in East Asia,’ *International Security*, 23, no. 4 (1999): 49-80; Taek Goo Kang, ‘Assessing China’s Approach to Regional Multilateral Security Cooperation,’ *Australian Journal of International Affairs* 64, no. 4 (2010): 406-431.

239. See Alastair I. Johnston and Paul Evans, China’s Engagement with Multilateral Security Institutions, in Alastair I. Johnston and Robert S. Ross, eds., *Engage China: The Management of Emerging power* (London: Routledge, 1999): 235-72.

240. Jianwei Wang, ‘Chinese Perspectives on Multilateral Security Cooperation,’ *Asian Perspective* 22, no. 3 (1998), p. 118.

to alleviate Washington's hostility to China's rise, ease its strategic pressure and ensure a stable and peaceful international environment for its modernization process.²⁴¹ In fact, Beijing's active attitude towards regional multilateralism represented a shift of its strategic thinking from 'self-constraint' to 'accepting constraint' and 'peaceful co-existence' that not only helps eliminate the perceptions of a 'China threat' and reassure Asian neighbours of its benign nature, but also raise its profile as a responsible great power, one accepting the common rules, norms and principles within institutions and taking full responsibilities for regional stability and prosperity. More importantly, participating in international institutions can make China become a 'normal' member of the international society and help it strengthen the legitimacy of its rising power in the international system.

The success of China's attempt to reassure ASEAN countries through regional multilateral initiatives has been greatly conditioned by developments in the South China Sea, since the South China Sea disputes have been a major irritant in China-ASEAN relations. During the ASEAN-China summit in 2002, all the sides signed the Declaration on the Code of Conduct on South China Sea to establish mutual understanding and cooperation for a peaceful resolution of territorial disputes. Beijing accepted such a multilateral agreement to follow a certain amount of 'self-constraint' and kept tensions between Beijing and the ASEAN claimant states to a relatively low level till the Scarborough shoal standoff that occurred in April 2012. Since then, China started to defend its territorial claims over the South China Sea in a more assertive way, including the building of artificial islands that began since 2014. Meanwhile, Beijing not only rejected any proposals on a multilateral resolution of disputes but also opposed the ruling of the Permanent Court of Arbitration in Hague, instead stressing that the bilateral negotiations is the only way to settle disputes.

In this context, China's efforts to enhance strategic reassurance through regional multilateralism have so far has achieved a relative success, as East Asian states' stance towards China's rise is divided into three groups.²⁴² The first group of states,

241. Suisheng Zhao, 'China's Approaches toward Regional Cooperation in East Asia,' 53-67.

242. On East Asian states' response to China's rise, see Evelyn Goh, 'Southeast Asian Perspectives on the China Challenge,' *Journal of Strategic Studies* 30, no. 4/5 (2007): 809-832; Derek McDougall, 'Responses to 'Rising China' in the East Asian Region: Soft Balancing with Accommodation,' *Journal of Contemporary China* 21, no. 73 (2012): 1-17; Ian Tsung-Yen Chen and Alan H. Yang, 'A Harmonized Southeast Asia? Explanatory Typologies of ASEAN Countries' Strategies to the Rise of China,' *Pacific Review* 26, no. 3

mainly Laos and Cambodia, and to some extent Myanmar, which benefits mostly from maintaining close ties with Beijing, bandwagons with China in the international arena and adopts a more positive position towards China's rise. The most significant exponents of the second group are Indonesia, Thailand, Malaysia, Singapore, and South Korea, which maintain close economic relations with Beijing. These states, on the one hand, appreciate China's central role in Asia's economy and on the other hand, welcome the US's security role in region, therefore pursue a hedging strategy towards China for preventing any single power to dominate this region and for maximizing their interests.²⁴³ The third group of states is comprised of Japan, Vietnam and the Philippines,²⁴⁴ which either have territorial disputes with China or geostrategic rivalry with China, intend to ally with the US to balance China's rising power, advancing their security and territorial interests.

ASEAN countries' reaction to the South China Sea disputes can be a touchstone to underpin Beijing's reassurance strategy in East Asia. Confronting the escalated tensions in South China Sea, China pursues a bilateral approach to resolve the disputes while Vietnam and the Philippines appeal to do so through regional multilateral frameworks. Those two states not only welcomed a more active role of the US in the disputes, but also tried to gain support inside ASEAN to take a common stance against China's territorial claims. However, other ASEAN members are very reluctant to adopt any multilateral declarations, actions or measures to oppose Beijing's assertive actions in the South China Sea. In July 2012, ASEAN's foreign ministers, for the first time in its 45-year history, failed to issue a joint communiqué after their annual meeting, since Cambodia as the Chair of ASEAN opposed Philippines and Vietnamese attempts to mention the Scarborough shoal incident and Chinese violation of Vietnam's exclusive economic zone in the document.²⁴⁵

(2013): 265-288; Cheng-Chwee Kuik, 'The Essence of Hedging: Malaysia and Singapore's Response to a Rising China,' *Contemporary Southeast Asia: A Journal of International & Strategic Affairs* 30, no. 2 (2008): 159-185.

243. Suisheng Zhao and Xiong Qi, 'Hedging and Geostrategic Balance of East Asian Countries toward China,' *Journal of Contemporary China* 25, no. 100 (2016): 485-499; Darren J. Lim and Zark Cooper, 'Reassessing Hedging: The Logic of Alignment in East Asia,' *Security Studies* 24, no. 4 (2015): 696-727.

244. After Rodrigo Duterte took power in 2016, Manila has adopted a more 'pragmatic' policy towards the South China Sea disputes and the Sino-Philippine relations have improved significantly. It resulted in a shift of the Philippines' China policy from balancing to hedging.

245. Ernest Z. Bower, 'China Reveals its Hand on ASEAN in Phnom Penh', *East Asia Forum*, 28 July 2012,

Similarly, at the end of an ASEAN summit in 2015, the ASEAN defense ministers failed to agree on a closing statement for their summit, due to their discrepancies over Chinese actions in the South China Sea.²⁴⁶ Furthermore, in 2016, the US President Barack Obama hosted an US-ASEAN summit in Sunnylands to enhance diplomatic ties with the ASEAN members for countering China's expansionist moves in the South China Sea but failed to make a common statement against China due to the opposition of Laos (then chair of ASEAN) and Cambodia. These examples have explicitly illustrated how asymmetric interdependence allows Beijing to strategically reassure other Asian states and to influence other non-claimants' position in a way that favours Beijing's interests.

Detering the formation of anti-China coalitions

China's embrace of regional multilateral institutions is closely linked to Sino-US power competition. From a Chinese perspective, the US military presence and dominant role in East Asia are major threats to China's core interests such as Taiwan issue and territorial disputes in the East and South China Seas.²⁴⁷ In particular, Washington's strategic containment of China is perceived as a great challenge to Beijing's security interests in the periphery.²⁴⁸ From an American perspective,

<http://www.eastasiaforum.org/2012/07/28/china-reveals-its-hand-on-asean-in-phnom-penh/>.

246. Prashanth Parameswaran, 'China Blocked ASEAN Defense Meeting Pact Amid South China Sea Fears: US Official,' *The Diplomat*, 4 November 2015,

<http://thediplomat.com/2015/11/china-blocked-asia-defense-meeting-pact-amid-south-china-sea-fears-us-official/>.

247. China perceived the US as a major threat to its core interests such as Taiwan issue, East and South Seas disputes, see Michael Yahuda, 'China's New Assertiveness in the South China Sea,' *Journal of Contemporary China* 22, no. 81 (2013): 446-459; Andrew B. Kennedy, 'China's Perceptions of U.S. Intentions toward Taiwan: How Hostile a Hegemon?,' *Asian Survey* 47, no. 2 (2007): 268-287; Lee Lai To, 'China, the USA and the South China Sea Conflicts,' *Security Dialogue* 34, no. 1 (2003): 25-39. Mira Rapp Hooper, 'Uncharted Waters: Extended Deterrence and Maritime Disputes,' *The Washington Quarterly* 38, no.1 (2015): 127-146.

248. See Zhu Feng, 'Chinese Perspectives on the U.S. Role in Southeast Asia,' *Southeast Asian Affairs* 2013, no. 1 (2013): 51-60; Victor D. Cha, 'Powerplay: Origins of the US Alliance System in Asia,' 165-166; Quansheng Zhao, 'China and Major Power Relations in East Asia,' 663-681.

China's rising power and influence is reshaping regional security architecture and eroding the US power. Especially, China's growing assertiveness is perceived as a serious threat to the established international order and American dominant position. As a result, Sino-US strategic rivalry has considerably intensified.

Recognizing the US's military superiority, China seeks to counterbalance the US hegemonic power through establishing, utilizing and institutionalizing regional multilateral cooperation. In particular, regional multilateral institutions that prompt asymmetric interdependence between Beijing and its Asian neighbour help deter the formation of anti-China coalitions in East Asia and limits Washington's ability to project power in the region. However, institutional balancing has its limits. In a world comprising of small, secondary and great powers, when a secondary power attempts to counter a great power from outside the region by aligning with small powers, small powers often adopt a hedging strategy to maintain strategic balance between the great power and secondary power in order to preserve their autonomy and to avoid domination by a bigger power. Indeed, when China, as secondary power, seeks to form a balancing coalition with other Asian states through regional multilateral institutions to soft balancing against the US dominance, this process involves two stages of power contestation. In the first stage, Beijing and Washington compete for dominance and influence in East Asia. When Washington seeks to contain China's rise for maintaining its dominance, Beijing also endeavours to counter the coercion and threats from Washington and undermine its dominance in search of its security and great power status.²⁴⁹ In the second stage, it involves power competition between China and other Asian states. When Beijing seeks to replace the US's leadership role in East Asia, East Asian states tend to adopt a hedging strategy towards Beijing and Washington in order to prevent any single power to dominate this region, even if Beijing has established asymmetric interdependence over those East Asian states. In particular, those states that have territorial disputes or strategic rivalry with Beijing are more likely to ally with Washington to rebalance China's rising power.

249. On China's search for great power status, see Xuetong Yan, 'The Rise of China and its Power Status,' *The Chinese Journal of International Politics* 1, no. 1 (2006): 5–33; Deborah Welch Larson and Alexei Shevchenko, 'Status Seekers: Chinese and Russian Responses to U.S. Primacy,' *International Security* 34, no. 4 (2010): 63–95; Yong Deng, *China's Struggle for Status: The Realignment of International Relations* (New York: Cambridge University Press, 2008), p. 53–54.

In 2011, Obama announced a 'Pivot to Asia' strategy to rebalance China's rising power and influence in East Asia through economic, diplomatic and military means:²⁵⁰ 1) re-establishing its security alliance with its Asian partners such as Japan, South Korea, and ASEAN; 2) consolidating the US presence and dominance in the region; and 3) counterbalancing China's growing economic, political and military power in the region. In particular, Washington realized that Beijing's proactive engagement in regional multilateral institutions significantly increases Beijing's influence at the expense of American prominence in the region. Therefore, Washington started to lobby for joining regional multilateral institutions in East Asia such as the EAS and finally made it in 2011. In an attempt to rebalance Beijing's rising economic power, Washington signed the Transpacific Trade Partnership with other 11 Pacific-Asian partners on 4th February 2016 that excludes China. Only ten days later, Washington launched the US-ASEAN meeting for enhancing its economic, political and military ties with Asian partners in response to China's rising role in East Asia. Although Trump abandoned the TPP and adopted a policy of isolationism under the doctrine of the 'American First', Washington is still moving to reinforce its ties with Asian allies and partners in order to preserve the balance of power in the Indo-Pacific region, countering China's expansion.²⁵¹ In this respect, the asymmetric interdependence between Beijing and other Asian states can reduce the US's leverage on those Asian states, limit the US ability to project power against China and deter the formation of any anti-China coalition.

As institutional balancing involves two stages of power competition, Beijing's intentions to enhance asymmetric interdependence and strategic reassurance through regional multilateral institutions may be frustrated when China's rising power is perceived as a threat instead of an opportunity. Those states including Japan, Vietnam, and the Philippines which have either territorial disputes or geostrategic rivalry with

250. On the US's Pivot to Asia policy, See Lanxin Xiang, 'China and the 'Pivot'' *Survival* 54, no. 5 (2012): 113-128; David Shambaugh, 'Assessing the US "Pivot" to Asia,' *Strategic Studies Quarterly* 7, no. 2 (2013), p. 10; Mathieu Duchâtel and E. Puig, Chinese Reactions to the US Rebalance toward Asia: Strategic Distrust and Pragmatic Adaptation, in Hugo Meijer, *Origins and Evolution of the US Rebalance toward Asia* (New York: Palgrave Macmillan, 2015).

251. The White House, 'President Donald J. Trump Announces a National Security Strategy to Advance America's Interests,' *The White House*, 18 December 2017, <https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-announces-national-security-strategy-advance-americas-interests/>.

Beijing are prone to align with Washington in order to counter Beijing's growing assertiveness, advancing their interests. On 28 April 2008, the Philippines and the US signed the Enhanced Defense Cooperation Agreement that allows the US to rotate troops into the Philippines and build and operate facilities on Philippine base for both American and Philippine forces.²⁵² Many scholars believe that Manila aspired to bolster the US-Philippine alliance for reinforcing its position over Beijing in the South China Sea disputes. Furthermore, the Filipino president Benigno Aquino III visited Japan in June 2015 in search of Japan's support in the disputes, and received a convincing response from Japanese Prime Minister Shinzo Abe, who stated that Japan would offer its 'utmost support' for the Philippines against China's aggressive action. As a result, two states held their first joint naval manoeuvres in the South China Sea. Japan also sought to shape a Japan-led regional order in East Asia and challenges China's rising power by reinforcing its alliance with the US.²⁵³ In April 2015, Japanese Prime Minister Shinzo Abe made a state visit to Washington and two states reaffirmed their common interest and objective in Asia for consolidating the US-Japan alliance that can be a response to China's growing role in the region. In meanwhile, Japan also expressed its willingness to join the US in maritime air patrols in the South China Sea. Vietnam is following the same path and Japanese and Vietnamese defense ministers agreed in November 2015 that a Maritime Self-Defense Force vessel could make a port call at Cam Ranh Bay, a Vietnamese military base in the South China Sea.²⁵⁴ Even more significant was Obama's visit to Vietnam in May 2016 and the announcement of the lifting of the US arms embargo on Vietnam.²⁵⁵

252. The White House, 'Fact Sheet: United States-Philippines Bilateral Relations,' *Office of the Press Secretary of the White House*, 28 April 2014,

<https://www.whitehouse.gov/the-press-office/2014/04/28/fact-sheet-united-states-philippines-bilateral-relations>.

253. See Christopher W. Hughes, 'Japan's Response to China's Rise: Regional Engagement, Global Containment, Dangers of Collision,' *International Affairs* 85, no. 4 (2009): 837-856.

254. Tim Kelly and Martin Petty, 'Vietnam Agrees to Japanese Warship Visit, Naval Exercise,' *Reuters*, 6 November 2015,

<http://www.reuters.com/article/2015/11/06/us-southchinasea-vietnam-japan-idUSKCN0SV0NW20151106#Kej85HIUhQAkj4vC.97>.

255. Gardiner Harris, 'Vietnam Arms Embargo to Be Fully Lifted, Obama Says in Hanoi,' *New York Times*, 23 May 2016,

http://www.nytimes.com/2016/05/24/world/asia/vietnam-us-arms-embargo-obama.html?_r=0.

The US also sought to further consolidate its military alliance with South Korea in order to balance China's rising role and preserve its dominance in East Asia. Although Seoul has in principle accepted the US's proposal to deploy a Terminal High-Altitude Area Defense (THAAD) missile system in the country in response to military threats from North Korea, Seoul has refused Washington's request to take a stance against Beijing's assertive actions in the South China Sea.²⁵⁶ Tokyo's and Seoul's different approach towards this issue has in part illustrated the success and limits of China's strategy of asymmetric interdependence and institutional balancing. Given that the THAAD poses a severe threat to Beijing's security interests in Northeast Asia,²⁵⁷ but Beijing failed to press Seoul to abandon the deployment of the US's THAAD in South Korea by leveraging its economic power even if there exists an asymmetric interdependent linkage between China and South Korea and the latter is significantly dependent on the former economically.

Conclusion: the success and limits of institutional balancing

China's growing engagement with regional multilateral institutions is a strategic adaption to the emerging security challenges and new power dynamics of East Asia. As China's rising power is altering the Asian security architecture, Washington adopts a containment strategy against China for preserving its hegemonic position. This increasingly intensifies the Sino-US power competition in East Asia. At the same time, Beijing also sees the US's military presence in East Asia and its containment strategy as a major challenge to its core interests such as the Taiwan issue and the territorial disputes in the East and South China Seas. In particular, Obama's pivot to Asia and Trump's Indo-Pacific strategy have considerably endangered Beijing's security and geopolitical environment.

With the intensifying Sino-US competition in East Asia, new strategic realities present a dilemma for Beijing on how to manage its cooperative and competitive relationship with Washington and the other Asian states and achieve a peaceful rise. Against this background, this chapter has explored the calculations and constraints behind China's involvement in regional multilateralism in East Asia, suggesting that China's growing engagement in regional multilateral institutions is strongly motivated

256. Van Jackson, 'The South China Sea Needs South Korea,' *The Diplomat*, 24 June 2015, <http://thediplomat.com/2015/06/the-south-china-sea-needs-south-korea/>.

257. Global Times, 'South Korea to Antagonize China with THAAD,' *Global Times*, 7 January 2017, <http://www.globaltimes.cn/content/1027538.shtml>.

by a strategy of soft balancing. China has made use of regional multilateral institutions as a vehicle of institutional balancing to undermine the US prominence in three ways: establishing asymmetric interdependence over its Asian neighbors, enhancing strategic reassurance in East Asia, and deterring the formation of any anti-China coalition in the region. China's embrace of regional multilateralism is a key underpinning of the 'Diplomatic Face of China's Grand Strategy' to achieve the twin goals of security and great power status,²⁵⁸ as regional multilateralism provides a 'smart' way to manage its complicated relations with the US and other Asian states and achieve a peaceful rise.

As the dynamic interactions of ideas, interests and institutions can alter the existing power structure and reshape the international relations of East Asia inside and outside institutions, regional multilateralism provides a new paradigm for Beijing to transform its economic power into political power, reshape the balance of power in East Asia, and build its geopolitical influence in the region. In particular, this strategic maneuver helps Beijing to establish asymmetric economic interdependence over other Asian countries, to reassure its neighbors of the benign nature of China's rise, and hinder any containment initiatives targeting China.

However, China's intention to use regional multilateral institutions as a means of soft balancing against the US is constrained due to the involvement of two stages of power competition: between China and the US; and between China and other Asian states. Although Beijing's effort to establish asymmetric interdependence has been quite successful, its efforts to reassure other East Asian countries about its intentions and the repercussions of its growing power have a mixed record. In an attempt to preserve autonomy and safeguard their national interests, most East Asian states have pursued a hedging strategy to maintain strategic balance between Beijing and Washington, preventing any great power from dominating this region. Only Laos and Cambodia have aligned more consistently with Chinese strategic interests, whereas Japan, Philippines, and Vietnam, which have territorial disputes and/or geostrategic rivalry with China, have been more prone to step up defense and diplomatic cooperation with the US for reinforcing their territorial claims or stance against China. In particular, Beijing's growing assertiveness in the East and South China Seas can be a catalyst for the US and several East Asian states to embark on joint initiatives against China.

258. Avery Goldstein, 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice,' *The China Quarterly* 168, no. 12 (2001): 835-864.

CHAPTER FOUR

SOFT BALANCING AGAINST THE HEGEMON: CHINA'S APPROACH TOWARDS THE SHANGHAI COOPERATION ORGANIZATION

Introduction

After the launching of reform and open door policy in 1978, China has achieved great economic success by integrating into the international system and emerged as a regional and global power. When the global system shifted from bipolarity to unipolarity at the end of the Cold War, China became a proactive actor in initiating, developing and institutionalizing regional multilateral cooperation in Asia, signalling a significant change of Chinese foreign policy.²⁵⁹ Regional multilateralism is considered the key element in the 'Diplomatic Face of China's Grand Strategy'²⁶⁰ for managing its complicated relations with major powers and its peaceful rise, as China is confronted with the overriding security challenges arising from the shifting balance of global power and the growing Sino-US strategic rivalry. In particular, after Washington enacted a containment strategy against China for maintaining its global dominance,²⁶¹ Beijing perceived Washington as a major threat to its security and peaceful rise. Regional multilateralism provides a new approach for Beijing to advance its regional and global strategy. In Central Asia, China initiated the 'Shanghai five' multilateral mechanism in 1996 and founded the Shanghai Cooperation Organization (SCO) in 2001, which was comprised of China, Russia,

259. Emilian Kavalski, *China and the Global Politics of Regionalization* (London: Routledge, 2016); Guoguang Wu and Helen Lansdowne, *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2007).

260. Avery Goldstein, 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice,' *The China Quarterly* 168, no. 12 (2001): 835–864.

261. On the Sino-US competition, see John J. Mearsheimer, 'The Gathering Storm: China's Challenge to US Power in Asia,' *The Chinese Journal of International Politics* 3, no. 4 (2010): 381-396; Thomas J. Christensen, 'Fostering Stability or Creating a Monster? The Rise of China and U.S. Policy toward East Asia,' *International Security* 31, no. 1 (2006): 81-126; Aaron L. Friedberg, 'The Future of U.S.-China Relations: Is Conflict Inevitable?' *International Security* 30, no. 2 (2005): 7-45.

Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. China's efforts to institutionalize regional multilateral cooperation in Central Asia triggered wide debate. What are the motivations and calculations behind China's strategy towards Central Asia and the SCO? How is the SCO used strategically and tactically as a vehicle of soft balancing against the hegemon?

The geopolitical significance as well as huge oil and gas resources had made Central Asia a theatre of Great Power politics for centuries. The collapse of the Soviet Union left a political vacuum in Central Asia that triggered a new Great Power Game in the region. China as a major player is not exceptional. To date, the SCO has become the most influential multilateral organization in the region and reshaped the geopolitics of Central Asia. With its expanding scope of cooperation and growing influence, China has more substantive and ambitious expectations on the SCO. Some scholars argue that China's approach towards the SCO is driven by so-called new security concept.²⁶² Beijing intends to secure a stable and peaceful international environment in its periphery and promote international norms through the establishment of SCO. Some analysts also point out that the Xinjiang issue and energy pipelines, which are given a high priority in Chinese foreign policy, are the primary driving force for Beijing to promote regional multilateral cooperation in Central Asia.²⁶³ Others suggest that China's engagement with the SCO is rooted in new geopolitics of Central Asia in the aftermath of the Cold War. A still weak China and a declining Russia had strong incentive to align with each other through the

262. Kevin Sheives, 'China Turns West: Beijing's Contemporary Strategy toward Central Asia,' *Pacific Affairs* 79, no. 2 (2006): 205–224; Jingdong Yuan, 'China's Role in Establishing and Building the Shanghai Cooperation Organization (SCO),' *Journal of Contemporary China* 19, no. 67 (2010): 855–869.

263. See Lillian Craig Harris, 'Xinjiang, Central Asia and the Implications for China's Policy in the Islamic World,' *The China Quarterly* 133, (1993): 111–129; Chien-peng Chung, 'The Shanghai Cooperation Organization and China's Changing Influence in Central Asia,' *The China Quarterly* 180, no. 1 (2004): 989–1009; Russell Ong, 'China's Security Interests in Central Asia,' *Central Asian Survey* 24, no. 4 (2005): 425–439; Yitzhak Shichor, 'China's Central Asian Strategy and the Xinjiang Connection: Predicaments and Medicaments in a Contemporary Perspective,' *China and Eurasia Forum Quarterly* 6, no. 2 (2008): 55–73; Phillip Andrews-Speed and Sergei Vinogradov, 'China's Involvement in Central Asian Petroleum,' *Asian Survey* 40, no. 2 (2000): 377–397; Suisheng Zhao, 'China's Global Search for Energy Security: Cooperation and Competition in Asia-Pacific,' *Journal of Contemporary China* 17, no. 55 (2008): 207–227.

establishment of a bilateral strategic partnership and the consolidation of regional multilateral cooperation within the SCO, preserving the balance of power in Central Asia and globally.²⁶⁴

This chapter argues that Beijing's approach towards the SCO is strongly underpinned by a strategy of soft balancing against the US. According to Robert Pape, soft balancing may be undertaken by secondary states against the hegemon through economic, political, diplomatic and institutional methods when the states perceive that the hegemon behaves hostilely and poses a potential threat to their national interests.²⁶⁵ While traditional hard balancing is too costly and risky for these secondary states to directly challenge US's military preponderance, international institutions serve as a non-military means to undermine US's hegemonic power.²⁶⁶ Regional multilateral institutions such as the SCO facilitate cooperation between the member states and overcome the prisoner's dilemma in balancing against external threats. After the Bush Administration launched the anti-terrorism war in Afghanistan, the US military presence was seen as a challenge to Beijing's and Moscow's strategic interests in Central Asia. With the limited military capabilities to match that of the US, China has a strong incentive to undertake a strategy of soft balancing against the hegemon through institutional means, as the SCO enables Beijing to forge a balancing coalition counterbalancing the US's dominance without provoking it. However, China's growing role in Central Asia may alter regional balance of power and trigger Sino-Russian competition that might undermine Beijing's efforts in using the SCO as

264. On the strategic relationship between Beijing and Moscow, see J. Richard Walsh, 'China and the New Geopolitics of Central Asia,' *Asian Survey* 33, no. 3 (1993): 272–284; Bin Yu, 'In Search for a Normal Relationship: China and Russia into the 21st Century,' *China and Eurasia Forum Quarterly* 5, no. 4 (2007): 47–81; Bobo Lo, *Axis of Convenience: Moscow, Beijing, and the New Geopolitics* (Washington, DC: Brookings Institution Press, 2008); James Bellacqua, *The Future of China–Russia Relations* (Lexington, KY: The University Press of Kentucky, 2009).

265. On the soft balancing theory, see Robert Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7–45; Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46–71; Stephen G. Brooks and William Curti Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72–108.

266. Robert Keohane, *After Hegemony* (Princeton: Princeton University Press, 1984).

a vehicle of soft balancing against the US.²⁶⁷ Thus the success in China's diplomatic strategy heavily relies on whether Beijing can reassure Moscow over shared interests, constrain itself to exercise power, preserve autonomy of other Central Asia states and comply with the rules within the SCO.²⁶⁸

Regional multilateralism has become a new paradigm in Chinese foreign policy. China's approach towards regional multilateralism is strongly shaped by a so-called grand strategy in search for security and great power status, as regional multilateral institutions serve as a key apparatus for Beijing to shape a new balance of global power to its interests, transform economic power into political power, and advance its geo-economic, geopolitical and geostrategic interests regionally and globally, all of which help counter the hegemon's pressure and threat and reduce the risk and costs of achieving its peaceful rise. The establishment of the SCO reflected Beijing's strategic calculations on the new strategic realities stemming from the intensifying Sino-US rivalry, the Sino-Russian strategic alliance and the changing international system. This chapter explores the logic of China's growing engagement with the SCO. It argues that China pursued a strategy of soft balancing to counter the US hegemony through regional multilateral cooperation. First, China sought to build a balancing coalition through the SCO to counter the US's expansion in Central Asia. Second, China tended to promote common norms such as 'sovereignty' and 'non-interference' within the SCO against the West-supported colour revolutions. Third, China pursued to forge a strategic alliance through regional multilateral mechanism to foster a multipolar world order and end the US's unipolar moment, as regional multilateralism provides a new way to shape the new balance of global power and transform the unipolar international system towards multipolarity. However, the Sino-Russian competition and the complex geopolitics of Central Asia might undermine Beijing's efforts in forming a balancing coalition against the US through the SCO.

To further explore the strategic calculations behind China's strategy towards the SCO, this chapter is divided into five sections. Section one gives a brief overview of China's active role in the SCO and the main questions and arguments of this chapter.

267. See Sherman Garnett, 'Challenges of the Sino-Russian Strategic Partnership,' *The Washington Quarterly* 24, no. 24 (2001): 41-54. David Kerr, 'Central Asian and Russian Perspectives on China's Strategic Emergence,' *International Affairs* 86, no. 1 (2010): 127-152;

268. G. John Ikenberry, *After Victory* (Princeton: Princeton University Press, 2001); Robert Axelrod, *The Evolution of Cooperation* (New York: Basic Books, 1984).

Section two highlights the concept of regional multilateralism and the theoretical aspect of soft balancing and reviews the existing literatures. Section three illustrates China's strategy towards Central Asia and its growing engagement with regional multilateral cooperation within the SCO. Section four examines the motivation and calculations behind China's approach towards the institutionalization of regional multilateralism within the SCO and provides new insight into how regional multilateral institution is tactically and strategically used by China as a vehicle of soft balancing to counter the US's power and influence in Central Asia and beyond. Section five presents some conclusions by illustrating the limits of using the SCO as a new instrument of soft balancing against the hegemon.

Regional multilateral institution as a vehicle of soft balancing

Multilateralism has been far a new phenomenon in International Relations. Although there are the different forms of multilateralism, this work only focuses on regional multilateralism. How do we conceptualize regional multilateralism? According to Robert Keohane,²⁶⁹ multilateralism is defined as the practice of coordination, cooperation and collaboration in certain policy areas among three or more states through ad hoc agreements, conventions and arrangements under the provisions of international institutions, organizations and regimes. John G. Ruggie also suggested that multilateralism refers to "an institutional form which coordinates behaviour among three or more states on the basis of 'generalized' principles of conduct that is, principles which specify appropriate conduct for a class of actions, without regard to the particularistic interests of the parties or the strategic exigencies that may exist in any specific occurrence".²⁷⁰ Regional multilateral institutions are built on a set of rules, norms and processes helps shape preference, monitor behaviour, confer legitimacy, and facilitate cooperation among the regional actors. More importantly, regional multilateralism provides a new paradigm for the states to institutionalize regional multilateral cooperation in adopting common positions, measures and actions towards common goals and interests and acting collectively to respond to the external threat and coercion from the existing or potential hegemon, and any other organization or institution outside the region.

269. Robert Keohane, 'Multilateralism: An Agenda for Research,' *International Journal* 45, no. 4 (1990): 731-764.

270. John G. Ruggie, 'Multilateralism: The Anatomy of an Institution,' *International Organization* 46, no. 3 (1992): 561-98.

In the IR theories, the balance of power theory is the heartland of both classical realism and neorealism.²⁷¹ According to Kenneth Waltz, balancing behaviour may emerge when two requirements are met: the self-help states pursue relative power for surviving, and the world is structured under anarchy.²⁷² The balance of power strategy can be materialized either through internal balancing or external balancing. In an anarchic international system, small and secondary powers have a strong incentive to counter the hegemon's superiority through internal balancing or external balancing in order to preserve the balance of power and maximize relative power for survival, security or interests.²⁷³ John Mearsheimer also provided the underlying explanations to the state's balancing behaviour in his renowned book 'The Tragedy of Great Power Politics',²⁷⁴ suggesting that weaker states often seek to ally with other states against superior power for preserving the balance of power, countering the hegemon and avoiding domination and exploitation. As the distribution of material power and military capability in the international system is considered a key factor in determining power status of the states, Mearsheimer argues that the power competition between a rising and dominant power will inevitably lead to war when the former is not satisfied with its power status and seeks to reshape the existing international order being created and dominated by the latter that particularly applies to the growing strategic rivalry between China and the US.

While globalization prompted interdependence between the states, traditional hard balancing through military means suffers problems and difficulties in today's unipolar world. In recent years, soft balancing has emerged as a new concept to interpret the state's balancing behaviour in international politics.²⁷⁵ Soft balancing has been a more favourable option for secondary powers such as the BRICS to

271. Richard Little, *The Balance of Power in International Relations, Metaphors, Myths and Models* (Cambridge: Cambridge University Press, 2007).

272. Kenneth Waltz, *Theory of International Politics* (New York: Random House, 1979).

273. See Matthew D. Stephen, 'Rising Regional Powers and International Institutions: The Foreign Policy Orientations of India, Brazil and South Africa,' *Global Society* 26, no. 3 (2012): 289-309; Jack S. Levy and William R. Thompson, 'Balancing on Land and at Sea: Do States Ally against the Leading Global Power?,' *International Security* 35, no. 1 (2010): 7-43.

274. John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W. W. Norton, 2001).

275. Pape, 'Soft Balancing against the United States'; Paul, 'Soft Balancing in the Age of US Primacy'; Brooks and Wohlforth, 'Hard Times for Soft Balancing.'

frustrate the US's hegemonic power (unilateralism, primacy and domination) for security, interests and great power status that is materialized through non-military means such as economic initiatives, diplomatic coalitions, and international institutions and agreements. Accordingly, regional multilateral institution has been a new vehicle of soft balancing for a rising power against the hegemon inclusively or exclusively. Kai He and Weiqing Song argue that international institutions are a critical instrument to undertake a strategy of soft balancing by secondary powers to counter the pressures or threats from the US hegemony.²⁷⁶ Soft balancing has two different forms: inclusive and exclusive. In the former, small and secondary powers are motivated to form a balancing coalition, which includes the superpower, to act collectively to constrain and undermine superpower's unilateralism and dominance within the institution. In the latter, small and secondary powers have incentive to establish a regional multilateral institution, which excludes the superpower, to isolate, marginalize and counter superpower's dominant power and influence in a regional and global context.

It is generally recognized that if China's power continues to grow, the power transition is very predictable in the near future and that seems totally unacceptable for the US as the only hegemon. Thus, China is perceived as a revisionist power to challenge the status quo of existing international order that was established and dominated by the US.²⁷⁷ Even if Beijing and Washington have shared interests to cooperate on the main global problems and issues, some structural contradictions between the hegemon and emerging power remain pertinent.²⁷⁸ Although Chinese officials and scholars persistently reiterated that China's rise is peaceful and does not

276. Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518; Weiqing Song, 'Feeling Safe, Being Strong: China's Strategy of Soft Balancing through the Shanghai Cooperation Organization,' *International Politics* 50, no. 5 (2013): 664-685.

277. See Randall L. Schweller and Xiaoyu Pu, 'After Unipolarity: Chinas Visions of International Order in an Era of U.S. Decline,' *International Security* 36, no. 1 (2011): 41-72; William A. Callahan, 'Chinese Visions of World Order: Post-hegemonic or a New Hegemony?,' *International Studies Review* 10, no. 4 (2008): 749-761.

278. See Xuetong Yan, 'The Instability of China-US Relations,' *The Chinese Journal of International Politics* 3, no. 3 (2010): 263-292; Suisheng Zhao, 'A New Model of Big Power Relations? China-US Strategic Rivalry and Balance of Power in the Asia-Pacific,' *Journal of Contemporary China* 24, no. 93 (2014): 377-397.

pursue hegemony, this view is not that prevalent among western policymakers and scholars. John Mearsheimer asserted as early as in 2004 that China's rise will not be peaceful, as the US seeks to contain China through military and non-military means while the latter attempts to dominate the Asia-Pacific and challenge American dominance and unipolar international system.²⁷⁹ Beijing also perceived the hegemon's aggressiveness and hostility when the Bush administration sought to deploy the National Missile Defense (NMD) systems in Asia Pacific, and when Obama administration devised a 'Pivot to Asia' to strategically contain the rise of China. Confronting the US's military pre-eminence, the question of how to counter the American threats and achieve its peaceful rise presents a stark security dilemma for China's policymakers. First, as there is a great power gap between two powers, it seems absolutely unwise to counter the hegemon through traditional hard balancing. Second, the growing interdependence embodying cooperative and competitive relationship makes any military confrontation catastrophic for Beijing and Washington. In this respect, regional multilateralism as a vehicle of soft balancing appears to be a feasible and 'peaceful' way for Beijing to counter the US threats and advance its strategic interests by shaping a new balance of power.

Indeed, the power gap and the interdependent relationship between two rivals are the fundamental elements for secondary states to adopt a strategy of soft balancing, as those states that have only limited military capabilities are prone to align with other states through an institutional means to counter the unchecked hegemon's threats. The institutionalization of regional multilateral cooperation in Central Asia provides a key mechanism to strengthen coordination, cooperation and collaboration between China, Russia and other Central Asian states and form a political, economic and security coalition towards shared interests and objectives, exclusively isolating, marginalizing and undermining the US hegemony in a regional and global context. The logic of using the SCO as a vehicle of soft balance lies in shaping a balancing coalition to resist the US's expansion in Central Asia, promote common norms such as sovereignty and non-interference, and transform the unipolar international system towards multipolarity. Under certain circumstances, even the superpower also pursues a strategy of soft balancing against a potential peer competitor or emerging adversary through the coalition or alliance formation in order to maintain the status quo, dominance and superiority in the international system. He and Feng's work suggests that even the US as a strongest power undertook a strategy of soft balancing against

279. John J. Mearsheimer, 'Why China's Rise Will Not Be Peaceful,' 17 September 2004, <http://mearsheimer.uchicago.edu/pdfs/A0034b.pdf>.

China other than hard balancing as two states have become increasingly interdependent.²⁸⁰ It is too difficult and hazardous for Washington to hard balancing against Beijing through military means, even if it holds overwhelming military advantage over Beijing.

China's strategy towards Central Asia and the SCO

Central Asia lies at the heart of the Eurasian landmass and has geopolitical importance that makes it one of the most contested regions in world politics. Soon after the demise of Soviet Union in 1991, China turned its attention to its Central Asian neighbours. China was the first country to officially recognize the Russian Federation and five newly independent states including Uzbekistan, Kazakhstan, Tajikistan, Kyrgyzstan, and Turkmenistan and rapidly established diplomatic relations with these states.²⁸¹ Meanwhile, Beijing recognized Moscow's dominant status in Central Asia and maintained a prudent stance on developing its relations with other Central Asian states.²⁸² Thus, China maintained a friendly bilateral relationship with Central Asian states throughout the early 1990s and bilateral cooperation was only limited to energy and trade.

The independence of former Soviet republics resulted in the territorial disputes on common boundary delineation and demarcation between China and those Central Asian countries. In April 1996, China initiated the Shanghai Five mechanism in Shanghai to establish a regional multilateral framework on resolving the border disputes among China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan. It is the first time for China to pursue a multilateral approach to promote regional cooperation in Central Asia. One year later, the Shanghai Five leaders signed the Treaty on Reduction of Military Forces in Border Regions at the second summit in Moscow in order to deepen mutual trust and confidence, under which the deployment of military troop was limited up to 130 thousand soldiers within the border areas of those

280. Kai He and Huiyun Feng, 'If Not Soft Balancing, then What? Reconsidering Soft Balancing and U.S. Policy toward China,' *Security Studies* 17, no. 2 (2008): 363-395.

281. Joseph Y. S. Cheng, 'The Shanghai Co-operation Organization: China's Initiative in Regional Institutional Building,' *Journal of Contemporary Asia* 41, no. 4 (2011): 632-656.

282. Younkyoo Kim and Stephen Blank, 'Same Bed, Different Dreams: China's 'Peaceful Rise' and Sino-Russian Rivalry in Central Asia,' *Journal of Contemporary China* 22, no. 83 (2013): 773-790.

countries. The political change in Central Asia led to the power vacuum and political disorder that favoured the growing flourishing of “three evils”, namely terrorism, separatism and extremism, posing a crucial threat to regional security and stability. China’s Xinjiang autonomous region suffered continual political unrest from ‘three evils’ that challenged the border security of Northwestern China. At the Shanghai Five summit in 1998 in Almaty, all the members agreed to reinforce regional multilateral cooperation on combating ‘three evils’ in Central Asia. In this respect, the Shanghai Five has expanded its agenda from border dispute to regional security, reflecting the common demand and interest in promoting regional multilateral cooperation.²⁸³

At the Bishkek summit in 1999, the leaders of ‘Shanghai five’ states decided, upon Kyrgyzstan’s proposal, to establish a center of anti-terror in order to strengthen coordination, cooperation and collaboration in combating the growing terrorism, separatism and extremism in the region, as all those states were confronting non-traditional security issues such as arms-smuggling, cross-border crime, ethnic insurgency, Islamic terrorism and religious extremism in the region.²⁸⁴ In particular, Islamic Taliban movement seized power and control over Afghanistan in 1998 that soundly deteriorated security situation in Central Asia. The fifth summit took place in Dushanbe in 2000 and the Shanghai Five partners agreed to “oppose intervention in other countries’ internal affairs on the pretexts of ‘humanitarianism’ and ‘protecting human rights’; and support the efforts of one another in safeguarding the five countries’ national independence, sovereignty, territorial integrity, and social stability.” It reflected a common desire of those states to defend ‘common autonomy’ within regional multilateral mechanism while sharing ‘common objective’ and ‘common demand’ to promote regional multilateral process towards their common interests, ensuring regional peace and stability. This joint statement also involved a common position of those states on the colour revolution and military intervention of West. During the 2001 annual summit in Shanghai, the five founding members accepted Uzbekistan in the Shanghai Five mechanism and all the heads of six member states signed the Declaration of Shanghai Cooperation Organization on June 15 2001. It is the first time for China to launch a regional multilateral organization that

283. Niklas Swanström, ‘Sino–Russian Relations at the Start of the New Millennium in Central Asia and Beyond,’ *Journal of Contemporary China* 23, no. 23 (2014): 480-497.

284. Svante E. Cornell and Regine A. Spector, ‘Central Asia: More than Islamic Extremists,’ *The Washington Quarterly* 25, no. 1 (2002): 193-206.

demonstrates Beijing's growing enthusiasm for regional multilateralism in Central Asia.

Within the SCO, China and Russia as the leading members maintain strong influence in regional and global affairs. The foundation of SCO implied the emergence of a new great power game among Beijing, Moscow and Washington in the era of post-Cold War.²⁸⁵ The American scholar Joseph Nye argues that

“In the 1950s, China and the Soviet Union were allied against the US. After US President Richard Nixon's opening to China in 1972, the balance shifted, with the US and China cooperating to limit what they viewed as a dangerous rise in the Soviet Union's power. With the collapse of the Soviet Union, that de facto US-China alliance ended, and a China-Russia rapprochement began. In 1992, the two countries declared that they were pursuing a “constructive partnership”; in 1996, they progressed toward a “strategic partnership.”²⁸⁶

Soon after the launching of SCO, Beijing and Moscow signed the Treaty of Good-Neighbourliness and Friendly Cooperation in July 2001. The dramatic turnaround of Sino-Russian relations also reflects two powers' aspiration to enhance strategic cooperation not only bilaterally but also regionally and globally. Later in 2002, the heads of the SCO member states signed the SCO Charter in Saint Petersburg, which expounded on the organization's purposes, principles, structures and process of the SCO as “strengthening mutual trust, good neighbourliness and friendship among member states; ...and working together to maintain regional peace, security and stability and to building a democratic, just and rational international political and economic order”.²⁸⁷ As China and Russia are both strong advocates of multipolarity, it is thus not surprising that both states are devoted to push towards a multipolar world through regional multilateralism, countering the US hegemony.

285. Lowell Dittmer, ‘Central Asia and the Regional Powers,’ *China and Eurasia Forum Quarterly* 5, no. 4 (2007): 7-22; Elizabeth Wishnick, *Russia, China, and the United States in Central Asia: Prospects for Great Power Competition and Cooperation in the Shadow of the Georgian Crisis* (Carlisle, PA: Strategic Studies Institute of the US Army War College, 2009): 40–44.

286. Joseph S. Nye, ‘A New Sino-Russian Alliance?’ *Project Syndicate*, 12 January 2015, <http://www.project-syndicate.org/commentary/russia-china-alliance-by-joseph-s--nye-2015-01>.

287. See more details, Chapter of the Shanghai Cooperation Organization, 15 June 2002, <http://www.uzbekistanitalia.org/home/sco/charter>.

The SCO is a key apparatus for Beijing to promote regional multilateral cooperation in economic, energy, political and security realms. China's approach towards the SCO can be grasped in five aspects: first, Beijing was faced with the non-traditional security threats from the three evils across the region that affects the stability of its Northwest frontier.²⁸⁸ Second, the collapse of the Communist Party of Soviet Union and the interdependence of Central Asian states were perceived as a great threat to the ruling of the Chinese Communist Party. Accordingly, China sought to form a political coalition among these authoritarian states through the SCO against the penetration of Western democracy for ensuring regime security.²⁸⁹ Third, when the international system shifted from bipolarity to unipolarity after the Cold War, Beijing reoriented its foreign policy towards the US and Russia.²⁹⁰ In particular, China pursued to forge a Sino-Russian strategic alliance within the SCO against the only hegemon when the US's military presence in Central Asia endangered both Beijing and Moscow's security interests in the region after the 11 September terrorist attack. Fourth, China sought to enhance energy cooperation with Central Asian states through the SCO to diversify oil supplies and suppliers, reduce reliance on oil imports from the Persian Gulf and ensure energy security, since the growing energy demand played a role in Chinese foreign policy.²⁹¹ Fifth, China intended to intensify economic diplomacy through the SCO to expand its influence, strengthen its leadership role and advance its periphery strategy,²⁹² as Central Asia has strategic significance for Beijing's interests.

Resisting American expansion in Central Asia

288. Lillian Craig Harris, 'Xinjiang, Central Asia and the Implications for China's Policy in the Islamic World,' *The China Quarterly* 133, (1993): 111-129.

289. Chaka Ferguson, 'The Strategic Use of Soft Balancing: The Normative Dimensions of the Chinese-Russian 'Strategic Partnership',' *Journal of Strategic Studies* 35, no. 2 (2012): 197-222.

290. Peter Ferdinand, 'Sunset, Sunrise: China and Russia Construct a New Relationship,' *International Affairs* 83, no. 5 (2007): 841-867.

291. Charles E. Ziegler, 'The Energy Factor in China's Foreign Policy,' *Journal of Chinese Political Science* 11, no. 1 (2006): 1-23.

292. Michael Clarke, 'Making the Crooked Straight: China's Grand Strategy of "Peaceful Rise" and its Central Asian Dimension,' *Asian Security* 4, no. 2 (2008): 107-142.

In the 1990s, the US paid little attention to Central Asia after the collapse of Soviet Union, excepting Washington's concerns about the denuclearization of the newly independent states in Kazakhstan and Ukraine. After the terror attacks of September 11, 2001, Central Asia soon became a major focus of US foreign policy. Having launched anti-terror war in Afghanistan, the US's role in the region expanded dramatically. With significant economic assistance, the US signed military cooperation agreement with all the Central Asian states except Turkmenistan.²⁹³ Washington was permitted to use the Karshi-Khanabad Air Base in Uzbekistan in October 2001 and the Manas Air Base in Kyrgyzstan in December 2001 respectively in support of combat operations against the Taliban and al-Qaeda in Afghanistan. In 2002, up to 5,000 US soldiers were stationed in Uzbekistan²⁹⁴ and around 2,000 American and European troops were stationed in Kyrgyzstan.²⁹⁵ NATO got involved as an alliance in August 2003.²⁹⁶ Although Beijing appreciated Washington's counter-terrorism efforts in Afghanistan, the US's and NATO's military presence in the region was perceived as a serious threat to its security interests in Xinjiang and Central Asia. Russia also saw NATO as a major threat to its national security after the Cold War when this organization expanded into Eastern Europe. The US's military presence in Central Asia seriously undermined Russia's traditional sphere of influence and strategic interests in the region, which can be a key factor for Beijing and Moscow to reach a consensus on promoting regional multilateral cooperation within the SCO²⁹⁷ and forming a balancing coalition to counter the US's power and influence in Central Asia and beyond.

293. Olga Oliker and David A. Shlapak, *U.S. Interests in Central Asia: Policy Priorities and Military Roles* (Santa Monica, CA: RAND Corporation, 2005),

<http://www.rand.org/pubs/monographs/MG338.html>.

294. Bagila Bukharbayeva, 'Uzbekistan Base Teeming with Troops,' *Associated Press*, 28 May 2002.

295. Linda D. Kozaryn, 'The Road from Baltimore to Bishkek,' *American Forces Press Service of the US Department of Defense*, 14 May 2002, <http://archive.defense.gov/news/newsarticle.aspx?id=44060>.

296. See Svante E. Cornell, 'The United States and Central Asia: in the Steppes to Stay?,' *Cambridge Review of International Affairs* 17, no. 2 (2004): 239-254; Alyssa J. Rubin, 'NATO Chief Promises to Stand by Afghanistan,' *The New York Times*, 22 December 2009, <https://www.nytimes.com/2009/12/23/world/asia/23afghan.html>.

297. Jyotsna Bakshi, 'Shanghai Co-operation Organization (SCO) before and after September 11,' *Strategic Analysis* 26, no. 2 (2002): 265-276.

Beijing persistently pursued a periphery strategy to ensure stability and security in its periphery.²⁹⁸ Xinjiang as Eurasian Continental Bridge interconnecting China and other subcontinents in the Eurasian space has strategic importance.²⁹⁹ Xinjiang is not only the country's top energy producer and supplier but also a critical energy transport corridor that has greatly facilitated China's energy imports via pipelines from Central Asia and enhanced its energy security. Xinjiang is also a core area of China's Western Development Strategy and Silk Road Economic Belt for promoting economic development and political stability in the region.³⁰⁰ The US military outposts in Kyrgyzstan and Uzbekistan, where far-ranging reconnaissance and surveillance capabilities were deployed, enabled US intelligence and security agencies to conduct espionage and sabotage activities in Xinjiang.³⁰¹ The US also supported the Washington-based World Uyghur Congress, which encouraged Uyghur Muslim Separatism in Xinjiang, through the US Congress-funded National Endowment for Democracy (NED).³⁰² These factors not only pose a serious threat to politically fragile Xinjiang and stability and security of China's vulnerable western frontier, but also endanger its economic and energy cooperation with Central Asian states. More importantly, the US's and NATO's military presence in Central Asia is also part of Washington's strategic containment against China as did the US in East Asia. Beijing believed that the US's grand strategy behind the War in Afghanistan is to dominate Central Asia and contain Beijing and Moscow for further consolidating its global hegemony, since Central Asia lied at the heart of the Eurasian continent remains crucial for its global dominance.³⁰³ In this respect, Beijing and Moscow have

298. Yunling Zhang and Shiping Tang, China's Regional Strategy, in David Shambaugh, *Power Shift: China and Asia's New Dynamics* (Berkeley: University of California Press, 2005), pp. 48-70.

299. David Kerr and Swinton Laura, 'China, Xinjiang, and The Transnational Security of Central Asia,' *Critical Asian Studies* 40, no. 1 (2008): 89-112.

300. Michael Clarke, 'China's Integration of Xinjiang with Central Asia: Securing a "Silk Road" to Great Power Status?' *China and Eurasia Forum Quarterly* 6, no. 2 (2008): 89-111.

301. F. William Engdahl, 'China and the Kyrgyz Geopolitical Future,' *Voltaire Network*, 27 May 2010, <http://www.voltairenet.org/article165551.html#nb7>.

302. F. William Engdahl, 'Washington is Playing a Deeper Game with China,' *Global Research*, 11 July 2009, <http://www.globalresearch.ca/washington-is-playing-a-deeper-game-with-china/14327>.

303. Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives* (New York: Basic Books, 1998). Peter Hopkirk, *The Great Game: The Struggle for Empire in Central Asia* (Tokyo: Kodansha International, 1994).

common goals and interests in countering the US's and NATO's expanding influence in Central Asia. Given neither China nor Russia have military strength to challenge the US's overwhelming power through traditional hard balancing, China has strong incentive to use the SCO as a vehicle of soft balancing against the US hegemony.

It is thus not surprising that Beijing intensified its efforts in deepening and broadening its trade, energy and diplomatic ties with Central Asian states through the SCO. In 2003, Chinese Premier Wen Jiabao proposed to set up a free trade zone within the SCO and the leaders signed an economic cooperation agreement for further facilitating trade and investment in Central Asia. At the 2005 SCO summit, Chinese President Hu Jintao stated that China hopes that the SCO can better deal with challenges, advance regional development, maintain regional stability, and fulfil common prosperity through deepening and expanding bilateral and multilateral cooperation of all forms among SCO member states. The strategic calculations behind China's growing engagement with regional multilateral cooperation can be understood in three aspects: First, regional economic cooperation allows Beijing to establish strategic interdependence with Central Asian states, increase power and build its leadership role in the region. Second, China's efforts to promote regional multilateral cooperation within the SCO cannot merely reassure Central Asian states of its benign nature but also eliminate strategic mistrust and suspicions between Beijing and Moscow, enabling Beijing to form a balancing coalition within the SCO against the hegemon. Third, enhancing regional multilateral cooperation within the SCO can not only prevent Russia from tilting towards the West, but also deter other Central Asian states to align with the US and form anti-China coalitions against China. In sum, China pursued to enlarge its circle of friends and partners towards building a political, economic and security coalition through the SCO to dilute the US's power and influence in Central Asia and beyond.

Since 2002, Beijing strongly pushed for regional multilateral cooperation in counter-terrorism, intelligence sharing and military cooperation within the SCO.³⁰⁴ The SCO held a series of bilateral and multilateral joint military exercise that expanded geographically from Central Asia to the Far East region. In August 2005, China and Russia held the first joint military exercise 'Peace Mission 2005' in the

304. Xinhua News Agency, 'Backgrounder: PLA-related Military Exercises since 2002,' *Xinhua News Agency*, 5 September 2004, http://news.xinhuanet.com/english/2004-09/25/content_2020458.htm.

Shandong Peninsula of China.³⁰⁵ It consisted of combined land, sea, and air elements simulating an intervention in a state besieged by terrorists or political turmoil. Nearly 8,000 Chinese troops and 2,000 Russian troops took part in the exercise. Although Beijing and Moscow stated that the joint military exercise was designed to strengthen the two countries' capabilities to combat terrorism, separatism and extremism in Central Asia and not directed at any third country, this form of military exercise has gone far beyond a pure act to combat the three evils in the region. Many American analysts believe that it symbolled a Sino-Russian strategic alliance against the US. When Putin was in China for the Opening Ceremony of Beijing Olympic Games in August 2008, the Pro-west government of Mikheil Saakashvili launched a full-scale military operation in South Ossetia. Later China and other SCO members signed a declaration at the SCO summit in Tajikistan in support of Russia's active role in promoting peace in the South Ossetia conflict.³⁰⁶ It reflected a common position of the SCO towards the NATO and Beijing played a key role in dealing with common geopolitical challenge in the region. Despite that, Beijing refused to recognize the independence of Abkhazia and South Ossetia because of its concerns about separatist regions such as Xinjiang, Taiwan and Tibet. Beijing and Moscow did clearly understand strategic significance of forging a Sino-Russian alliance and shaping a balancing coalition through the SCO in response to their common threat and adversary, the American hegemony.

In July 2005, the SCO released a joint declaration calling the US-led alliance to set a timetable for the withdrawal of their military bases from Central Asia. At the same month, Uzbekistan formally evicted the US from the Karshi-Khanabad air base in southern Uzbekistan despite the US's reluctance. Upon the request of Kyrgyz government, the US military was also forced to vacate the Manas air base in Kyrgyzstan. Many scholars believe that Uzbekistan's and Kyrgyzstan's move reflected Beijing's and Moscow's reaction to America's expanding military presence in the region, since both of them viewed Central Asia as their sphere of influence. Robert Pape and Thazha V. Paul, two prominent proponents of soft balancing theory, also argue that US's increasingly aggressive intentions have led to a close cooperation between Beijing and Moscow in Central Asia. For Moscow, Central Asia remains not only its traditional sphere of influence but also a security buffer against possible

305. Shangwu Sun, 'Military Drill Aims to Deepen Mutual Trust,' *China Daily*, 3 August 2005, http://www.chinadaily.com.cn/english/doc/2005-08/03/content_465742.htm.

306. Niklas Swanström, 'Georgia: The Split that Split the SCO,' *CACI Analyst*, 3 September 2008, <http://old.cacianalyst.org/?q=node/4930>.

aggression from the West that involves its strategic interests.³⁰⁷ For Beijing, the NATO's and US's military presence in the region not only enable Washington to make a strategic encirclement of China, but also endanger its strategic interests in Xinjiang and Central Asia.³⁰⁸ In particular, the SCO has significance for Beijing to deter other Central Asian states to support the Uyghurs' interdependence movement in Xinjiang and to join the US alliance or form a new coalition against China. In this respect, the SCO serves as a key instrument for Beijing to form a balancing coalition to delay, frustrate and undermine the US power and influence in Central Asia. The vacation of the US forces from the military bases in Uzbekistan and Kyrgyzstan are very successful examples.

The SCO has become a major vehicle for Beijing to expand its strategic ties with Moscow and other regional actors in pursuit of its geopolitical interests. While accepting Mongolia (2004), Pakistan (2005), India (2005), Iran (2005), Afghanistan (2012) and Belarus (2015) as observers into the SCO, the SCO expanded its influence from Central Asia to South Asia and West Asia. Among them, India and Pakistan as major powers in South Asia have been formally admitted as full members in July 2015. Iran as a regional power in West Asia has since 2008 applied for full membership but not admitted because of the sanctions imposed by the UN. Soon after the UN sanctions were lifted, Chinese president Xi Jinping announced strong support for Iran's full membership in the SCO during his state visit to Iran in January 2016. Even Turkey as a NATO member joined the SCO as dialogue partner status in 2012. In particular, the emerging China-India-Russia trilateral cooperation within the SCO helps not only mitigate the Sino-Indian rivalry and improve its strategic environment along its periphery but also deter India from joining the US-led coalition against China,³⁰⁹ despite India maintaining closer ties with the US than China and Russia. China's firm commitment to promote regional multilateral cooperation within the SCO serves as an innovative means to consolidate its relationship with Russia and Central Asian states in pursuit of a strategy of soft balancing against the US hegemony.

307. Andrei Tsygankov, 'Russia's Power and Alliances in the 21st Century,' *Politics* 30, (2010): 43–44.

308. See Clarke, 'China's Integration of Xinjiang with Central Asia: Securing a "Silk Road" to Great Power Status?'

309. Gancheng Zhao, 'China–Russia–India Trilateral Relations,' *China Report* 45, no. 2 (2009): 127-133; Amresh Chandra, 'Strategic Triangle among Russia, China and India: Challenges and Prospects,' *Journal of Peace Studies* 17, no. 2/3 (2010): 40-60.

Promoting common norms

Regional multilateral regimes provide a normative process not only to promote common ideas and norms and facilitate collective actions towards a common objective, but also enhance political identity and legitimacy of power in the international system.³¹⁰ In a realist world, promoting a normative transformation in the international society is also a form of soft balancing as the acceptance and recognition of new international norms matters for a dynamic contestation of normative authority and political legitimacy in the international system.³¹¹ The transformation in international politics is defined as a competition for political legitimacy of power. Thus, power competition and normative contestation are two sides of the same coin of power politics.³¹² In general, there are two different forms of soft balancing behaviour in relation to normative contestation. First, inclusive soft balancing occurs when the competition for normative legitimacy exists within the institution, meaning that two members struggle for normative legitimacy inside the institution. Second, exclusive soft balancing emerges when the competition for normative legitimacy involves the adversaries outside the institution, meaning that two adversaries compete for normative legitimacy between different institutions or groups. However, the success or failure in undertaking a strategy of soft balancing against the adversaries through the promotion of new international norms highly relies on the acceptance or recognition of alternative norms among the states within the institution. In this chapter, it involves exclusive soft balancing as China seeks to promote common norms such as sovereignty and non-interference among several Central Asian states through the SCO in order to counter the Western-supported colour revolutions.

310. Michael Zürn and Matthew Stephen, 'The View of Old and New Powers on the Legitimacy of International Institutions,' *Politics* 30, Supplements1 (2010): 91–101; Ian Hurd, 'Legitimacy and Authority in International Politics,' *International Organization* 53, no. 2 (1999): 379–408.

311. Ian Clark, 'International Society and China: The Power of Norms and the Norms of Power,' *The Chinese Journal of International Politics* 7, no. 3 (2014): 315–40.

312. Mlada Bukovansky, *Legitimacy and Power Politics: The American and French Revolutions in International Political Culture* (Princeton: Princeton University Press, 2010).

Since the early 1950s, the successive Chinese governments have enunciated the Five Principles of Peaceful Coexistence as the fundamental basis of developing its external relations with the rest of world: mutual respect for territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in internal affairs; equality and mutual benefit; and peaceful coexistence.³¹³ Among them, the principle of non-interference in the internal affairs of other countries as the cornerstone of Chinese foreign policy is usually regarded as a policy to resist ‘hegemony’, ‘power politics’ and ‘western colonialism and imperialism’ in the aftermath of World War II. Since the Cold War, Beijing reiterated that the five principles of peaceful coexistence should be the basic guidelines for the new international political order and contemporary international relations.³¹⁴ There was also a consensus among Chinese officials and scholars that the Western powers’ imposition of ‘Western values, norms and ideologies’ only served as an intellectual tool to consolidate hegemony over the developing world, especially targeting a rising China. After the Tiananmen Student Movement in 1989, China’s political elites further asserted that the spread of western values and norms such as democracy and human rights was merely the western ‘Peaceful Evolution’ or colour revolution, conspiring to rid China off the socialist road and overthrowing the CPC regime. Since then, Beijing has realized that promoting norms of sovereignty and non-interference is part of power politics as it involves the regime security of a sovereignty nation. Accordingly, China’s attempt to promote common norms of sovereignty and non-interference within regional multilateral institutions is an opposition to western intervention in the domestic affairs of other countries.

When Beijing and Moscow established a strategic partnership in 1996, Chinese President Jiang Zemin and Russian President Boris Yeltsin issued a joint statement that, aside from their common stance on countering “hegemonism”, emphasized the importance of achieving “regional and global stability, development and prosperity” on the basis of “the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit and peaceful coexistence”. It demonstrated two states’ common interest in underlining norms of state sovereignty and non-interference in the international relations, as both states perceived that the spread of western values and

313. Xinbo Wu, ‘Four Contradictions Constraining China’s Foreign Policy Behavior’, *Journal of Contemporary China* 10, no. 27 (2001): 293-301.

314. Jingdian Gao, *Deng Xiaoping guoji zhanliie shixiang yanjiu (A Study on Deng Xiaoping’s Thoughts on International Strategy)* (Beijing: Guofang daxue chubanshe, 1992).

norms or of so called normative power posed a threat to their regime security and political stability. Since the establishment of 'Shanghai five' mechanism in 1996, the principle of sovereignty and non-interference has been the fundamental of 'Shanghai Spirit' and become common norm of the SCO when it was founded in 2001. The Shanghai Spirit stressed that sovereignty should be respected regardless of the power difference and no state is allowed to impose models of social development or political ideology on other countries. China's efforts to promote common norms of sovereignty and non-interference through an institutional process were recognized and adopted on a multilateral consensus among the six SCO members. Ambrosio argues that 'Shanghai Spirit' is not merely a set of common norms for the SCO, but is openly promoted as universal value and normative basis for global politics and contemporary international relations,³¹⁵ resisting the US's attempt to impose western values and norms of human rights and democracy on the rest of world.

Since the end of the Cold War, Washington has used a wide range of diplomatic tools to promote global democratization not only for enhancing its global leadership, but also for politically intervening in internal affairs of other countries. The latter often triggers political instability and unrest in the targeted country or region. In Central Asia, the Tulip Revolution arising from democratic movements in Kyrgyzstan overthrew President Askar Akayev and his government in April 2005. The revolution in Kyrgyzstan soon spread to its neighbour Uzbekistan in May 2005 and caused political crisis in the country. The colour revolution also arose in Georgia (Rose Revolution) and Ukraine (Orange revolution) that prompted a political turbulence in the region. China and Russia realized that the colour revolution in the former soviet republics supported by the US and the West was a new form of regime change through non-military means, as those non-democratic states have geostrategic importance for advancing the US's national interests. Many Chinese scholars point out that the colour revolution has nothing to do with international norms of democracy and human rights, but a new tool of power politics. For Beijing, political chaos and regional instability caused by the West-sponsored colour revolutions not only impede regional multilateral cooperation within the SCO, but also endanger China's strategic environment in Central Asia as the US may establish pro-western

315. Thomas Ambrosio, 'Catching the 'Shanghai Spirit': How the Shanghai Cooperation Organization Promotes Authoritarian Norms in Central Asia,' *Europe-Asia Studies* 60, no. 8 (2008): 1321-1344; Stephen Aris, Spreading the "Shanghai Spirit": A Chinese model of regionalization in post-Soviet Central Asia, in Emilian Kavalski, ed., *China and the Global Politics of Regionalization*, (Ranham: Ashgate, 2009), pp. 153-164.

regimes in the region against Beijing's interests. In particular, both Beijing and Moscow feared that the colour revolutions in Central Asia would further spread to China and Russia. Thus, China and Russia stand up together to delegitimize and oppose regime change in Central Asia by promoting common norms of sovereignty and non-interference, countering colour revolutions. In this respect, promoting common norms of sovereignty and non-interference not only enhances the solidarity of regional multilateral cooperation among the SCO members; it can also be a strategy of undermining the US influence and of soft balancing against the hegemon.

In addition, China also sought to establish its soft power in a regional and global context by promoting alternative ideas and norms.³¹⁶ After the launching of the SCO, Chinese president Hu Jintao proposed a set of ideas and norms such as New Security Concept, New Development Approach, New Civilization Outlook and Concept of Harmonious World. The new security concept stressed the pursuit of common interests, peaceful dialogue, and common security for all regional actors and the discouragement of formal, hierarchical alliances. New Development Approach was formally clarified during a forum of the Central Committee of China's Communist Party:

“All countries should strive to achieve mutual benefit and win-win situation in their pursuit of development. They are encouraged to open up rather than close themselves, to enjoy fair play instead of profiting oneself at the expense of others.”³¹⁷

All of these concepts have reflected Chinese strategic thinking on the contemporary international relations, emphasizing that building a harmonious world on the basis of the mutual benefit, equality and consultation is the only way to safeguard the world's enduring peace and common prosperity. Chinese leaders perceived that regional multilateral institutions could be a means of enhancing cooperation rather than confrontation as the increasing interdependence between the states helps reduce the conflict, establish trust and ensure stability and peace. At the 2015 SCO summit, Chinese president Xi Jinping again called for upholding 'Shanghai Spirit' in a bid to

316. Marc Lanteigne, *China and International Institutions: Alternate Paths to Global Power* (London: Routledge, 2005); Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World* (New Haven: Yale University Press, 2007).

317. Fei Gao, *The Shanghai Cooperation Organization and China's New Diplomacy, Discussion Papers in Diplomacy* (Clingendael: Netherlands Institute of International Relations, 2010).

build a community of shared destiny in the region”.³¹⁸ It seems clear that the five principles of peaceful coexistence still remain a doctrine of Chinese foreign policy in developing its relations with the rest of world. Because promoting alternative ideas and norms through regional multilateral institutions not merely enhances China’s soft power but also strengthen its role as a peaceful power, one different from the US and the West.

Fostering a multipolar world

Since the late 1990s, the concept of multipolarity gained prominence in international politics. China and Russia have a common stance against the unipolar international system and strongly advocate for a multipolar world order. Some western Scholars argue that Beijing’s and Moscow’s support for multipolarity can be interpreted as opposition to Washington’s domination of global affairs and the American hegemony. After the Tiananmen event in 1989, Clinton Administration suspended arms sales to China and China’s most favoured nation status because of the violations of human rights.³¹⁹ Chinese foreign minister Qian Qichen remarked “The USA’s hegemonic stance and its attempts to interfere in the internal affairs of other states pose the greatest danger to socialist China” and suggested to develop relations with other major powers to counter the American hegemony. In 1992, Jiang Zemin’s political report of the 14th Congress of the Communist Party of China stated that “China supports a multipolar world order and a fair, just and peaceful world is only possible through multipolarity (*duoji shijie*)”. Since then, the concept of multipolarity became a doctrine of Chinese foreign policy, as Beijing perceived that a unipolar world system dominated by the US is dangerous for China and the world. A multipolar system helps limit the US’s hegemonic power and promote world peace and stability. Likewise, after the collapse of Soviet Union, Russia had illusion to reconcile with the US and the West, but unsuccessfully. Washington decided to enlarge the NATO and still viewed Moscow as a major threat to the US and its allies in Europe despite Moscow’s strong opposition. Since then, Russia had given up its illusion upon the US and West. An old story tells that a rival of enemy can be a friend that is also

318. An Lu, ‘China Welcomes SCO Expansion, Calls for Upholding ‘Shanghai Spirit’,’ *Xinhua News Agency*, 11 July 2015,

http://news.xinhuanet.com/english/2015-07/11/c_134402081.htm.

319. Susan Turner, ‘Russia, China and a Multipolar World Order: The Danger in the Undefined,’ *Asian Perspective* 33, no. 1 (2009): 159-184.

applicable to the Sino-Russian relations in the aftermath of the Cold War. Because Beijing and Moscow have a common objective: countering the American hegemony and ending the US's unipolar moment.

China and Russia established a constructive partnership in 1994 and a strategic partnership in 1996 that marked a shift in trilateral relations between Moscow, Beijing and Washington in the post-Cold War era.³²⁰ During Primakov's visit to Beijing in 1997, a joint statement was released to declare their support for a multipolar world order and opposition to American hegemony. It was the first time for Beijing and Moscow to jointly advocate for multipolarity of the international system. After NATO's intervention in Kosovo in 1999 and the US's bombing of the Chinese embassy in Belgrade, both states issued a joint declaration condemning the American hegemony, symbolising the emergence of a Sino-Russian strategic alliance against the hegemon.³²¹ Since then, the Sino-Russian strategic axis remains a key pillar of promoting a multipolar world order and transforming the unipolar world order dominated by the US, counterbalancing American hegemony.³²² In 2001, China and Russia formalized their strategic alliance by signing the Sino-Russian Treaty of Good-Neighbourliness, Friendship, and Cooperation.³²³ A joint statement again endorsed their support for creating a just and fair new world order. While failing to gain the UN authority for use of force in Iraq, the Bush Administration launched the Iraq war in 2003 that demonstrated the prevailing unilateralism of unchecked American hegemony.³²⁴ In an effort to oppose the US's invasion of Iraq and the hegemon, China and Russia jointly appealed for a multipolarity of international system. In the past decades, Beijing and Moscow have forged a strong strategic alliance by enhancing cooperation at bilateral, regional (e.g. SCO) and global level (e.g. BRICS) and shared a common stance towards promoting a multipolar world order and counterbalancing the American hegemony.

320. Michael Levin, *The Next Great Clash: China and Russia vs. the United States* (Conn.: Praeger Security International, 2009).

321. Elizabeth Wishnick, 'Russia and China: Brothers Again?,' *Asian Survey* 41, no. 5 (2001): 797-821.

322. Deborah Welch Larson and A. Shevchenko, 'Status Seekers: Chinese and Russian Responses to U.S. Primacy,' *International Security* 34, no. 4 (2010): 63-95.

323. The full text of treaty was signed on July 24, 2001 and is available online at www.fmprc.gov.cn/eng/wjb/zzjg/dozys/gjlb/3220/3221/t16730.htm.

324. Judith Kelley, 'Strategic Non-cooperation as Soft Balancing: Why Iraq was not just about Iraq,' *International Politics* 42, no. 2 (2005): 153-173.

In essence, the idea of multipolarity has an anti-hegemon dimension, as the redistribution of global power among major great powers will end the unipolar world system dominated by US as the only hegemon.³²⁵ Therefore, the US viewed the rise of new powers as a major challenge to the existing international order and its hegemonic status. Among them, China as the most powerful competitor has become a top target of Washington's containment strategy. With limited hard power, Beijing adopted a strategy of soft balancing against the hegemon by aligning with other major powers and setting up a strategic alliance through regional multilateral initiatives. The foundation of SCO is a new experiment to form an anti-hegemonic coalition among China, Russia and other Central Asian states to undermine the American influence in Central Asia and beyond. At the 2007 SCO Summit in Kyrgyzstan, China, Russia and other SCO leaders repeated their call for "strengthening a multipolar international system that would ensure equal security and opportunities for all countries" and Iran, India and Pakistan also attended the meeting. For Beijing, the SCO helps consolidate the Sino-Russian strategic alliance against the hegemon. The enlargement of SCO is an attempt to expand such an anti-hegemonism alliance from Central Asia to South Asia and West Asia, all of which are key elements of promoting a multipolar world. At the 2012 BRICS summit in New Delhi, Indian Prime Minister Manmohan Singh said that "we support a multipolar, equitable, democratic and just world order",³²⁶ implying that China, Russia and India have a consensus for fostering a multipolar world order. A strategic triangle among Beijing, Moscow and New Delhi will further strengthen such a balancing coalition against the US hegemony.

On July 8 2015, Russia hosted two summits, the SCO and BRICS, at the same time and the leaders of two multilateral institutions attended a joint meeting that highlighted the emergence of new centers of power in the international system. All of these countries have ambitions to play a greater role in global affairs and are keen to gain the recognition of regional spheres of influence and legitimize their power status

325. Christopher Layne, 'The Unipolar Illusion Revisited: The Coming End of the United States' Unipolar Moment,' *International Security* 31, no. 2 (2006): 7-41; Steve Smith, 'The End of the Unipolar Moment? September 11 and the Future of World Order,' *International Relations* 16, no. 2 (2002): 171-183.

326. Ma Liyao and Hu Haiyan, 'BRIC Wants Changes soon to Global Financial System,' *China Daily*, 17 April 2010, http://www.chinadaily.com.cn/world/2010-04/17/content_9742491.htm.

within formal or informal multilateral institutions,³²⁷ since those share a belief that multipolarity involving a more balanced distribution of global power helps foster global stability. Many western scholars contend that the SCO and BRICS are clearly a new southern coalition that displayed a coordinated and cooperated willingness to create a multipolar world order, ending the US's unipolar moment.³²⁸ Among them, China, Russia and India are the leading members of the SCO and BRICS and the emerging Trilateral Cooperation will be of significance to work together towards a multipolar world, countering the American power and influence in a regional and global context. From a Chinese perspective, multilateral institution is undoubtedly a perfect instrument to establish a strategic alliance with major great powers to transform the existing international system, since regional multilateral mechanism facilitating the convergence of interests towards common objective enables Beijing to reshape the balance of global power to its interests and create a more balanced system and global power structure. Beijing also realized that the transformation of international system from unipolarity to multipolarity helps not only shape a new balance of power to counter the US's unilateralism and hegemony, but also enhance political legitimacy of its rising power in the future world order.

Beijing's efforts in promoting multipolarity through regional multilateralism can be a diplomatic maneuver for winning friends and undermining foes. First, while China, Russia and India have shared interests in promoting multipolarity and countering the US hegemony, the emerging strategic triangle within the SCO helps alleviate the level of Sino-Russian and Sino-Indian competition in association with the geopolitics of Central Asia and South Asia, despite the fact that China's expanding role in Central Asia and Indian Ocean erodes Russia's and India's influence in the regions. Second, a multipolar world system will limit Washington's capabilities to project power unilaterally and aggressively without taking into account other states' interests, since the multipolarity prompts the redistribution of power in

327. Andrew Hurrell, 'Hegemony, Liberalism, and Global Order: What Space for Would-be Great Powers?,' *International Affairs* 82, no. 1 (2006): 1–19; Yong Deng, *China's Struggle for Status: The Realignment of International Relations* (New York: Cambridge University Press, 2008), p. 53–54.

328. Michael A. Glosny, 'China and the BRICs: A Real (but Limited) Partnership in a Unipolar World,' *Polity* 42, no. 1 (2010): 100–129.

the international system.³²⁹ International institutions that facilitate the collective action enable secondary powers to form a strategic alliance to counterbalance the hegemon for avoiding being dominated or exploited. Third, China's discourse on multipolarity not only involves the creation of a just and fair world order being dominated by neither a single superpower nor Global North, but underlined the moral nature of the international system.³³⁰ In fact, the evolving doctrines of Chinese foreign policy refuted any kind of hegemony that was usually understood as an unequal, unjust and exploitative international relation in Chinese politics.³³¹ Given that a structural transformation from unipolarity to multipolarity is a durable revisionist process, regional multilateralism provides a new paradigm for China to shape the new balance of global power to its interests that has implications for constructively engaging in the international system.

Conclusion: limits of using the SCO as a vehicle of soft balancing

In the past decades, we have seen a dramatic shift of Chinese foreign policy from multilateralism to regional multilateralism. China's embrace of regional multilateral cooperation and institutions is driven by an evolving grand strategy for security and great power status, as regional multilateralism embodies a synthesis of neorealist and liberalist thoughts and can reshape the international relations inside and outside institutions. That enables Beijing not merely to confront with emerging security dilemmas arising from the Sino-US rivalry and new power dynamics, but also to build its power and influence regionally and globally. This chapter suggests that China's approach towards the institutionalization of regional multilateral cooperation within the SCO was motivated by a strategy of soft balancing against the hegemon. The SCO serves as a key apparatus to forge a balancing coalition through the institutionalization

329. Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy* (Princeton, N.J.: Princeton University Press, 2010).

330. Tingyang Zhao, 'Rethinking Empire from a Chinese Concept 'All-under-Heaven' (Tianxia),' *Social Identities* 12, no. 1 (2006): 29–41; Callahan, 'Chinese Visions of World Order: Post-hegemonic or a New Hegemony?'

331. Barthélémy Courmont, 'Promoting Multilateralism or Searching for a New Hegemony: A Chinese Vision of Multipolarity,' *Pacific Focus* 27, no. 2 (2012): 184-204; Ren Xiao, 'Toward a Chinese School of International Relations?', in Wang Gungwu and Zheng Yongnian, eds., *China and the New International Order* (London: Routledge, 2008), pp. 296–297.

of regional multilateral cooperation to resist the US's expanding influence in Central Asia and beyond. Furthermore, Beijing's efforts to promote common norms such as sovereignty and non-interference among the Central Asia states through the SCO not only help to counter the West-supported colour revolutions also enhance the political legitimacy of its power. Finally, Beijing intends to establish a Sino-Russian strategic alliance through the SCO and transform the international system towards multipolarity, ending the US's unipolar moment and fostering a more inclusive world order.

However, the Sino-Russian competition and the complex geopolitics of Central Asia are likely to undermine Beijing's efforts in using the SCO as an instrument of soft balancing against the hegemon. First, China's rising power and influence in Central Asia appeared to challenge Moscow's geopolitical interests in the region.³³² In the early 1990s, the newly independent states in Central Asia were eager to enhance its political ties with Beijing for balancing Russia's domination and preserving autonomy. But Beijing seemed reluctant to challenge the Russia's role in the region. A major reason is that Beijing aspired to align with Moscow to mitigate its strategic pressure from US after the end of the Cold War. Beijing feared that its active engagements with Central Asia may lead to a profound strategic mistrust in Moscow. After the launching of the SCO, China's growing power and influence in Central Asia was perceived as a challenge to Moscow's strategic interests, even if both states have common interests to ally with each other bilaterally and multilaterally on countering the US hegemony. In particular, Beijing's charm offensive in Central Asia and its prominent role in regional trade and energy cooperation generated anxiety in Moscow, as Beijing's economic power enables it to establish asymmetric interdependence over other Central Asian states at the expense of Moscow. For example, Moscow did not support Beijing's idea to create a free trade zone within the SCO, instead established a Eurasian Economic Union with the former Soviet republics in which China was not included. This is a clear response to China's expanding role in Central Asia.

Second, China and Russia have strategic divergence over the future development of the SCO. Russia was eager to transform the SCO to a military-political organization, forging a military bloc against the NATO that was but refuted by China,

332. Kerr, 'Central Asian and Russian Perspectives on China's Strategic Emergence'; Kim and Blank, 'Same Bed, Different Dreams: China's 'Peaceful Rise' and Sino-Russian Rivalry in Central Asia'; Swanström, 'Sino-Russian Relations at the Start of the New Millennium in Central Asia and Beyond.'

as Beijing insisted that the SCO should be a political-economic organization, focusing on security, political and energy cooperation in Central Asia. From a geopolitical perspective, East Asia should be the primary focus of China's power projection and its security threats mainly come from the Asia-Pacific, since the US's military presence in East Asia is a major obstacle for solving the Taiwan issue and South China Sea disputes. In contrast, Moscow regarded Europe and Central Asia as its strategic frontiers and viewed the NATO's eastern enlargement as a serious threat to its security. Furthermore, China persistently pursued a peaceful rise and rejected any form of military alliance under the doctrine of non-alignment policy. In 2002, Russia founded the Collective Security Treaty Organization (CSTO), comprising of all the SCO members except China, that reflects the strategic divergence between two states. Although Moscow recognized Beijing's interests in Central Asia, two great powers' divisive attitude towards the future development of SCO has to some extent constrained the role of the SCO in further deepening regional multilateral cooperation in Central Asia.

Third, the complex geopolitics of Central Asia may undermine Beijing's attempt to use the SCO as a vehicle of soft balancing against the American hegemony. In a geopolitical context, Central Asian states have adopted a hedging strategy to subtly maintain strategic balance between Beijing and Moscow to their national interests.³³³ They also sought to diversify international relations by enhancing their ties with the US and EU in an effort to avoid overdependence on Beijing or Moscow economically and politically,³³⁴ preserving autonomy and sovereignty. Since Putin took power, Russia sought to regain the glory of its great power status and its influence in the former soviet region. Since the 2008 global financial crisis, the weak oil price and economic recession almost destroyed Russia's worsening economy. The military operations in Ukraine and Syria and economic sanctions imposed by the US and EU has made Moscow become increasingly dependent on China economically and politically. The growing asymmetric interdependence between the two might not only undermine Moscow's autonomy and its influence in Central Asia, but also caused those Central Asian states to lean closer to Beijing. Furthermore, After India and

333. Annette Bohr, 'Regionalism in Central Asia: New Geopolitics, Old Regional Order' *International Affairs* 80, no. 3 (2004): 485-502; Sherman Garnett, 'Challenges of the Sino-Russian Strategic Partnership,' pp. 41-54.

334. Younkyyo Kim and Fabio Indeo, 'The New Great Game in Central Asia Post 2014: The US "New Silk Road" Strategy and Sino-Russian Rivalry,' *Communist and Post-Communist Studies* 46, no. 2 (2013): 275-286.

Pakistan joined the SCO as full members in 2017, the territorial dispute and geopolitical rivalry between India, Pakistan and China³³⁵ would damage the solidarity of the SCO. More recently, the US President Trump decided to return to Afghanistan on anti-terror war and sought to enhance stronger security ties and anti-terror cooperation with India while warning Pakistan against supporting terrorism.³³⁶ The growing strategic ties between India and the US would greatly limit Beijing's attempt to use the SCO as a vehicle of soft balancing against the American hegemony.³³⁷

335. Yang Lu, *China-India Relations in the Contemporary World: Dynamics of National Identity and Interest* (Abingdon and New York: Routledge, 2016).

336. Yashwant Raj, 'Trump Puts Pakistan on Notice in Afghanistan Policy, Wants India to Spend More,' *The Hindustan Times*, 22 August 2017, <https://www.hindustantimes.com/world-news/trump-unveils-new-afghanistan-policy-clears-way-for-troop-increase/story-BY0W6JUVaHsu3Hv744C9iJ.html>.

337. Evan Braden Montgomery, 'Competitive Strategies against Continental Powers: The Geopolitics of Sino-Indian-American Relations,' *Journal of Strategic Studies* 36, no. 1 (2013): 76-100; Priya Chacko, 'A New "Special Relationship"? Power Transitions, Ontological Security, and India-US Relations,' *International Studies Perspectives* 15, no. 3 (2014): 329-346.

CHAPTER FIVE

BEYOND BALANCING: CHINA'S APPROACH TOWARDS THE BELT AND ROAD INITIATIVE*

Introduction

Over the past three decades, China has considerably enhanced its comprehensive national strength and emerged as a regional and global power. China's mounting prominence in the international arena triggered a debate about China's rise and its implications for the existing international system.³³⁸ Meanwhile, Chinese foreign policy experienced a dramatic shift from bilateralism and multilateralism to regional multilateralism.³³⁹ Since the late 1990s, China has become a major actor in initiating, developing and institutionalizing multilateral cooperation mechanisms such as ASEAN Plus Three, ASEAN Plus One, Shanghai Cooperation Organization (SCO), East Asia Summit, and Trilateral Cooperation.³⁴⁰ In 2013, China launched the Belt

* This chapter has already been published in the Journal of Contemporary China (ISSN 1469-9400), see Weifeng Zhou and Mario Esteban, 'Beyond Balancing: China's Approach towards the Belt and Road Initiative,' *Journal of Contemporary China*, (2018), article DOI: 10.1080/10670564.2018.1433476.

338. G. John Ikenberry, 'The Rise of China and the Future of the West Can the Liberal System Survive?,' *Foreign Affairs* 87, no. 1 (2008): 23-37; Thomas J. Christensen, 'Fostering Stability or Creating a Monster? The Rise of China and U.S. Policy toward East Asia,' *International Security* 31, no. 1 (2006): 81-126; Aaron L. Friedberg, 'The Future of U.S.-China Relations: Is Conflict Inevitable?' *International Security* 30, no. 2 (2005): 7-45.

339. On regional multilateralism in Chinese foreign policy, see Emilian Kavalski, *China and the Global Politics of Regionalization* (London: Routledge, 2016); Guoguang Wu and Helen Lansdowne, *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2007).

340. See Suisheng Zhao, 'China's Approaches toward Regional Cooperation in East Asia: Motivations and Calculations,' *Journal of Contemporary China* 20, no. 68 (2011): 53-67; Cheng-Chwee Kuik, 'Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration,' *Contemporary Southeast Asia* 27, no. 1 (2005): 102-122;

and Road Initiative (BRI), namely the Silk Road Economic Belt and the 21st Century Maritime Silk Road, to promote regional multilateral cooperation in the Eurasian space. The BRI is considered Beijing's most ambitious foreign policy initiative and is creating a new global geopolitical map, since the Initiative not only promises a mega geo-economic agenda to deepen regional economic cooperation along the Silk Road, but also sets up a great power strategy to advance China's geopolitical and geostrategic interests in Eurasia and beyond. In particular, this diplomatic maneuver signals a significant shift in Chinese foreign policy from 'Keeping a Low Profile' (*taoguang yanghui*) to 'Striving for Achievement' (*yousuo zuowei*).³⁴¹ The ideas of China renaissance (*mingzu fuxing*) and Chinese dream (*zhongguo meng*) introduced by Chinese President Xi Jinping embodied the key element of China's global ambition. This chapter addresses the two main questions: Why does China as a rising power become increasingly enthusiastic for regional multilateralism? And what are the strategic calculations behind China's BRI?

The rise of China is one of the most prominent events of the 21st century. Some scholars argue that China's growing enthusiasm for regional multilateralism is closely associated with its changing role in the international system.³⁴² Indeed, there is a consensus among the scholars and policymakers in both Washington and Beijing that China's rising economic and military capabilities enable it to play a greater role in global affairs and promote its great power status. At the same time, China's growing power makes it the most credible challenger to the US's global dominance and has triggered a Sino-US strategic rivalry. The intensifying Sino-US competition presents Beijing with a stark dilemma of how to manage its relations with Washington for ensuring security and achieving its peaceful rise.

Jingdong Yuan, 'China's Role in Establishing and Building the Shanghai Cooperation Organization (SCO),' *Journal of Contemporary China* 19, no. 67 (2010): 855–869.

341. See Xuetong Yan, 'From Keeping a Low Profile to Striving for Achievement,' *The Chinese Journal of International Politics* 7, no. 2 (2014): 153-184.

342. See Shaun Breslin, 'China's Emerging Global Role: Dissatisfied Responsible Great Power,' *Politics* 30, no. 1 (2010): 52-62; David Shambaugh, 'China Engages Asia: Reshaping the Regional Order,' *International Security* 29, no. 3 (2005): 64-99; Avery Goldstein, 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice,' *The China Quarterly* 168, no. 12 (2001): 835-864; Yunling Zhang, *China and Asian Regionalism* (Singapore: World Scientific Publishing, 2010).

This chapter argues that China's embrace of regional multilateralism in Eurasia is not only driven by neorealist thought, but also shaped by constructivist and neoliberal logics that are respectively linked to power balancing, normative influence, and institutional transformation. In particular, regional multilateral cooperation that enhances the nexus of economic, political and security relations serves as a vital instrument for China to tackle security challenges in pursuit of its peaceful rise.³⁴³ Accordingly, China's approach towards the BRI is strongly motivated by a multifaceted grand strategy: adopting a soft balancing strategy to frustrate the US containment of China and undermine its power and influence, promoting China's soft power and building its role as a normative power through the promotion of alternative ideas and norms, and reshaping global governance in a way that reflects China's values, interests, and status.

To further explore the motivations and calculations behind China's BRI, this chapter is divided into seven sections. Section one gives a brief overview of China's activism in regional multilateral cooperation and the BRI. Section two looks into the concept of regional multilateralism based on the three international relations theories: neorealism, neoliberalism, and constructivism. Section three illustrates China's geoeconomic, geopolitical and geostrategic interests in promoting regional multilateral cooperation within the BRI. Section four explores the logic of China's use of the BRI as a vehicle of soft balancing to counter the US containment strategy and undermine its dominance. Section five provides insight into China's endeavor to build its role as a normative power and foster the legitimacy of its rising power through the promotion of alternative ideas and norms within the BRI. Section six deals with China's attempts to forge a bargaining coalition and reshape global governance through the BRI and the Asian Infrastructure Investment Bank (AIIB). Section seven presents some conclusions by highlighting the potential risks and challenges of BRI.

Regional multilateralism and international relations theories

Regional multilateralism was defined by Robert Keohane as the practice of coordination, cooperation and collaboration in certain policy areas among three or more states through ad hoc agreements, conventions and arrangements under the

343. Avery Goldstein and Edward Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (California: Stanford University Press, 2012).

provisions of international institutions, organizations and regimes.³⁴⁴ Regional multilateralism as a subset of multilateralism emphasizes the common, universal and reciprocal norms and rules to coordinate specific policy areas within regional multilateral settings. At present, regional multilateral cooperation has gone far beyond trade and become a multidimensional mechanism encompassing economic, political, security and cultural aspects. Building on the existing literature, the changing balance of global power is identified as one of the main factors explaining the emergence of regional multilateralism.³⁴⁵

From a neorealist perspective, international institutions are often viewed as means of statecraft of powerful states and play a vital role in shaping a hierarchical power structure in the international system.³⁴⁶ For example, the Bretton Woods institutions have great significance in consolidating US hegemonic status and global influence. However, regional multilateral institutions have different implications for a rising power and for an existing hegemon, since they can either be used to increase the power of the former at the expense of the latter or be used to socialize the former into the latter's preferred regime and mechanism. Three neorealist assumptions provide explanations to the rationale of China's growing engagement in regional multilateral institutions: bargaining power,³⁴⁷ institutional balancing,³⁴⁸ and counter-containment.³⁴⁹ The first argument suggests that regional multilateral settings enable China to take advantage of asymmetric power and raise its bargaining power over other regional and international actors, advancing its interests. The second

344. Robert O. Keohane, 'Multilateralism: An Agenda for Research,' *International Journal* 45, no. 4 (1990), p. 731.

345. See Stephan Keukeleire and Bas Hooijmaaijers, 'The BRICS and other Emerging Power Alliances and Multilateral Organizations in the Asia-Pacific and the Global South: Challenges for the European Union and its View on Multilateralism,' *Journal of Common Market Studies* 52, no. 3 (2014): 582-599.

346. Kenneth Waltz, 'Structural Realism after the Cold War,' *International Security* 25, no. 1 (2000): 5-41.

347. See Kent Ann, *Beyond Compliance: China, International Organizations and Global Security* (Stanford, CA: Stanford University Press, 2007).

348. For example, see Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518.

349. See Marc Lanteigne, *China and International Institutions: Alternate Paths to Global Power* (London and New York: Routledge, 2005).

argument asserts that China has incentives to form a balancing coalition through regional multilateral institutions to counter the perceived threats. The third argument finds that promoting regional multilateral cooperation can be a strategic maneuver to frustrate the US containment of China and enhance Beijing's position in the power competition.

Neoliberalism argues that states pursue absolute gains rather than relative gains to other states and the international institutions facilitating cooperation and compromise between states can produce absolute gains for all their members. Neoliberal institutionalism assumes that states advance their overall interests with a commitment to strengthen cooperation within international institutions or regimes, since those institutions can not only reduce costs, form preferences, and monitor processes, but also facilitate problem-solution and achieve goals.³⁵⁰ Accordingly, while regional multilateral cooperation helps enhance strategic interdependence among the states and reshape the balance of power at regional and global levels, regional multilateral initiatives can be used strategically and tactically as a vehicle of soft balancing against a potential or existing hegemon.

While neorealists and neoliberalists underline 'war and power' and 'interest and cooperation' respectively, constructivists take into consideration two key elements shaping the international order: identity and norm.³⁵¹ Constructivist scholars have argued that creating political identity and promoting certain 'normative values' seem to be of primary importance for the states to establish regional multilateral regimes and institutions.³⁵² The interaction between actors, states or institutions helps create, promote and justify political identities which legitimize the power of those actors, states and institutions in the existing international system. International cooperation amongst and between actors and states also promotes international norms as international institutions or regimes possess a set of rules, process, and principles to facilitate the convergence of interest, objective and action.³⁵³ Accordingly, we

350. Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984).

351. Audie Klotz and Cecelia M. Lynch, *Strategies for Research in Constructivist International Relations* (New York: M.E. Sharpe, 2007).

352. Björn Hettne, 'Globalization and the New Regionalism: The Second Great Transformation,' *Globalism and the New Regionalism* (London: Palgrave Macmillan, 1999), pp. 1-24.

353. Stephen D. Krasner, *International Regimes* (Ithaca, NY: Cornell University Press, 1983).

contend that the interaction between Beijing and other Eurasian actors within the BRI helps to promote alternative ideas and norms, build Beijing's soft and normative power and enhance the legitimacy of its rising power in the international society.

China's strategy towards Eurasia and the BRI

During his state visits to Kazakhstan and Indonesia in 2013, Chinese President Xi Jinping proposed establishing the BRI, including the land-based and the sea-based Silk Roads, to promote regional connectivity and multilateral cooperation. The land routes start in China's Central and Western regions, pass through Central Asia, West Asia, Central and Eastern Europe and end in Western Europe. The maritime routes connect China's coastal regions and Europe through the South China Sea, the Indian Ocean, the Persian Gulf, and the Mediterranean Sea. The BRI involves 65 countries across Asia, Europe, and Africa³⁵⁴ and represents 70% of the world's population and more than 40% of the world's GDP. The Initiative offers not only a multilateral mechanism to enhance economic, political and cultural ties between China and other Eurasian countries, but also a venue to strengthen cooperation with the existing regional multilateral groups such as the SCO, ASEAN, European Union, Asia-Europe Meeting, Eurasian Economic Union, South Asian Association for Regional Cooperation, and the Gulf Cooperation Council.

The BRI sets up an ambitious agenda to deepen multilateral cooperation across the Eurasian continent and promote prosperity and development of all countries along the BRI. According to a statement released by the National Development and Reform Commission, the BRI will enhance regional multilateral cooperation on five pillars: "(i) strengthen policy dialogue; (iii) strengthen trade facilitation; (iv) strengthen financial cooperation; (v) strengthen people-to-people exchanges."³⁵⁵ Along with the BRI, China created the AIIB and the Silk Road Fund to provide financial support to the BRI projects. In May 2017, Beijing formalized the BRI by hosting the first Belt

354. The BRI is an open and inclusive initiative including but not limited to the 65 countries, please see Hong Kong Trade Development Council, 'Country Profile: The Belt and Road,' *Hong Kong Trade Development Council*, 12 August 2017, <http://beltandroad.hktdc.com/en/country-profiles/country-profiles.aspx>.

355. National Development and Reform Commission, 'Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,' *The State Council of China*, 28 March 2015, http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html.

and Road Forum for International Cooperation in Beijing that resulted in a large number of cooperation agreements signed by more than fifty countries.³⁵⁶ China's efforts to promote multilateral cooperation through the BRI are motivated by a desire to advance its geo-economic, geopolitical, and geostrategic interests in Eurasia and beyond.

China's geo-economic interests

The BRI is strongly driven by geo-economic factors. First, the Western Development Strategy, which was enacted in 1999 to accelerate economic development in China's western regions, is given a priority by Chinese leaders. Poor infrastructure, inadequate investment and development imbalance has not only impeded economic development but also posed a threat to political stability in China's western regions. Second, China's economic growth has suffered a slowdown since 2012 and unprecedentedly declined to 6.7 percent in 2016, recording a historic low level in the past 25 years. In this respect, the problem of how to sustain stable economic growth is placed at the top of Chinese policymakers' agenda. In November 2013, the Central Committee of the Communist Party of China decided to build a more open economic system by deepening market integration and developing a new trade strategy, and promote multilateral cooperation by constructing the Silk Road Economic Belt and the Maritime Silk Road.³⁵⁷

Through the BRI, China seeks to establish closer economic ties between its western regions and Central Asia, Southeast Asia, and South Asia by developing infrastructure, promoting trade, and enhancing interconnectivity. China has proposed to set up seven economic corridors along the BRI: China-Mongolia-Russia Economic Corridor; New Eurasian Land Bridge; China-Central and West Asia Economic Corridor; China-Indo-China Peninsula Economic Corridor; China-Pakistan Economic Corridor; Bangladesh-China-India-Myanmar Economic Corridor, and China-India-Nepal Economic Corridor. This not only creates huge investment opportunities for Chinese firms and tackles China's industrial overcapacity, but also stimulates development of China's western regions and revives its sluggish

356. Xinhua News Agency, 'List of Deliverables of Belt and Road Forum,' *Xinhua News Agency*, 15 May 2017, http://news.xinhuanet.com/english/2017-05/15/c_136286376.htm.

357. The People's Net, 'Decision of the Central Committee of the Communist Party of China on Some Major Issues Concerning Comprehensively Deepening the Reform,' *The People's Net*, 29 January 2014, <http://en.people.cn/90785/8525422.html>.

economy.³⁵⁸ Until May 2017, a total of 1,676 infrastructure projects involving highway, high-speed rail, electricity grid, port facilities, and gas and oil pipelines have been contracted to consolidate regional connectivity, which is clearly a geo-economic imperative.³⁵⁹

With the BRI, China also intends to forge a stronger Eurasian linkage between Asia and Europe, two of the world's most dynamic markets.³⁶⁰ As of May 2017, Eurasian rail network has connected 28 Chinese cities directly with 29 cities in 11 European countries. Meanwhile, China also proposed establishing a land-sea express route linking the port of Piraeus, one of the largest container ports in Europe and a gateway between the Middle East, the Balkans, European markets, and Xinjiang. That enables Beijing not only to increase access to regional markets, promote Renminbi internationalization, diminish excessive foreign reserves, and diversify energy suppliers and routes, but also translate its growing economic power into political power.

China's geopolitical interests

In 1904, the British geographer Halford Mackinder wrote a paper on "The Geographical Pivot of History", arguing that the country ruling the heartland of Eurasia would dominate the world.³⁶¹ Along the same lines, the American geostrategist Zbigniew Brzezinski wrote:

"...How America "manages" Eurasia is critical. A power that dominates "Eurasia" would control two of the world's three most advanced and economically productive regions. A mere glance at the map also suggests that control over "Eurasia" would almost automatically entail Africa's subordination, rendering the Western Hemisphere and Oceania geopolitically peripheral to the world's central continent. About 75 percent of the world's people live in "Eurasia", and most of the world's physical wealth is there

358. Yiping Huang, 'Understanding China's Belt & Road Initiative: Motivation, Framework and Assessment,' *China Economic Review* 40, (2016): 314-321.

359. See Xinhua News Agency, 'List of Deliverables of Belt and Road Forum,' *Xinhua News Agency*, 15 May 2017.

360. See Nicola Casarini, 'When All Roads Lead to Beijing: Assessing China's New Silk Road and its Implications for Europe,' *The International Spectator* 51, no. 4 (2016): 95-108.

361. Halford Mackinder, 'The Geographical Pivot of History,' *The Geographical Journal* 23, no. 4 (1904): 421-437.

as well, both in its enterprises and underneath its soil. “Eurasia” accounts for about three-fourths of the world’s known energy resources.”³⁶²

China, one of the two Eurasian great powers (namely China and Russia), not only has a stake in Eurasia but also possesses great advantage to win friends, build power and expand influence across the continent. As an integral part of China’s peripheral strategy, regional multilateral mechanism serves as a vital diplomatic tool for Beijing not merely to ensure access to resources and markets but also advance its key geopolitical objectives. By enhancing regional multilateral cooperation within the ASEAN Plus Three and SCO, Beijing has established its prominent role in East Asia and Central Asia. The BRI allows Beijing to further expand its influence in other parts of Eurasia such as South Asia, West Asia, Middle East, and Europe. Given China’s historic role in Eurasia, the fundamental purpose of rebuilding the ancient Silk Road through the BRI is to reaffirm its geopolitical interests in the Eurasian space, revive the ‘Moment of Glory’ of Chinese civilization, and regain its great power status.³⁶³

The BRI is vital to advance China’s geopolitical interests in three aspects: energy security; geopolitical influence; and maritime interests. First, since China is heavily dependent on energy imports from the Persian Gulf,³⁶⁴ the New Eurasian Land Bridge and China-Central and West Asia Economic Corridor allow it to forge stronger energy ties with Russia and Central Asian states and reduce its reliance on energy imports from the Persian Gulf. The China-Pakistan Economic Corridor and Bangladesh-China-India-Myanmar Economic Corridor will facilitate China’s energy imports from the Persian Gulf and Africa via gas and oil pipelines and reduce its dependence on the Malacca Strait where the US can exert great influence. Second, the Land Silk Road helps expand Beijing’s geopolitical influence across the continent. Regional connectivity and multilateral cooperation that help enhance asymmetric interdependence enable Beijing not only to leverage its power and influence over other Eurasian partners to its strategic interests, but also to broaden its strategic hinterland and geopolitical space. Third, the Maritime Silk Road helps Beijing to build its maritime power and expand influence in the Indian Ocean for improving maritime security and advancing its maritime interests. For example, China’s heavy investment in Hambantota Port (Sri Lanka), Gwadar Port (Pakistan) and Kyaukpyu

362. Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives* (New York: Basic Books, 1998), p. 31.

363. Valerie Hansen, *The Silk Road: A New History* (Oxford: Oxford University Press, 2012).

364. Charles E. Ziegler, ‘The Energy Factor in China’s Foreign Policy,’ *Journal of Chinese Political Science* 11, no. 1 (2006): 1-23.

port (Myanmar) allows Beijing to reinforce its naval presence in the Indian Ocean, ensure the security of its trade and energy routes, and foster its role as a maritime power.³⁶⁵

China's geostrategic interests

The BRI is also shaped by rising geostrategic competition in Asia-Pacific. Traditionally, China regarded East Asia as its primary geopolitical focus and sought to build its power and influence in the region. When Beijing's growing economic and military power was perceived as a challenge to American preponderance, Washington announced a 'Pivot to Asia' strategy to reaffirm its strategic interests in Asia and contain China's rising influence.³⁶⁶ Washington sought to build a 'C-shaped ring of encirclement' around China by linking the East China Sea, Taiwan Strait, South China Sea, Malacca Strait and Indian Ocean for limiting China's influence in the first island chain and constraining China's expansion into the Indian and Pacific Oceans. Washington also set an aggressive economic agenda to counter China's rising economic power through the conclusion of Trans-Pacific Partnership (TPP)³⁶⁷, which has however been abandoned by US President Trump.³⁶⁸ In this context, the BRI can be seen as a 'Pivot to Europe' strategy to counterbalance the US's Pivot to Asia,³⁶⁹ breaking US containment of China and undermining its dominance. Wang Jisi, a prominent International Relations scholar at Peking University, argued that the BRI is

365. Christopher Len, 'China's 21st Century Maritime Silk Road Initiative, Energy Security and SLOC Access,' *Maritime Affairs: Journal of the National Maritime Foundation of India* 11, no. 1 (2015): 1-18.

366. Evan Braden Montgomery, 'Contested Primacy in the Western Pacific: China's Rise and the Future of U.S. Power Projection,' *International Security* 38, no. 4 (2014): 115-149.

367 Evelyn S. Devadason, 'The Trans-Pacific Partnership (TPP): the Chinese Perspective,' *Journal of Contemporary China* 23, no. 87 (2012): 462-479.

368. The White House, 'Presidential Memorandum Regarding Withdrawal of the United States from the Trans-Pacific Partnership Negotiations and Agreement,' *The White House*, 23 January 2017,

<https://www.whitehouse.gov/the-press-office/2017/01/23/presidential-memorandum-regarding-withdrawal-united-states-trans-pacific>.

369. Theresa Fallon, 'China's Pivot to Europe,' *American Foreign Policy Interests* 36, no. 3 (2014): 175-182.

not merely a 'Marching West' strategy to advance China's geostrategic interests in Eurasia, but also a geostrategic rebalance to the US's 'Pivot to Asia'.³⁷⁰

The BRI illustrates a profound shift in Chinese foreign policy from 'Keeping a low profile' to 'Striving for achievement'. Throughout the 1980s, 1990s and 2000s, Deng Xiaoping's 'Keeping a low profile' was a basic principle guiding Chinese foreign policy and played a crucial role in fostering a favorable international environment for China's modernization process. Some Chinese scholars argue that such a strategy has become outdated when Washington's containment policy has not only endangered China's security environment but also limited China's ability to project power in its periphery.³⁷¹ In particular, the decline of American power provided an opportunity for China to play a greater role in global affairs. After Xi Jinping took power, Beijing adopted a more assertive foreign policy to advance its regional and global interests.³⁷² Thus, the BRI is strongly driven by three factors: first, China makes use of the BRI as a vehicle of soft balancing to undermine American power by establishing asymmetric interdependence, enhancing strategic reassurance over its Eurasian partners, and deterring the formation of any anti-China coalition and 'anyone but China' club. Second, China seeks to promote soft power and build its role as a normative power, increasing the legitimacy of its rising power. Third, China intends to reshape global governance and transform the existing international system in a way that reflects its values, interests, and status.

Soft Balancing against the US

370. Jisi Wang, 'Xijin: Zhongguo Diyu Zhanlue de Zai Pingheng' ['Marching West: China's Geopolitical Rebalancing Strategy'], *Huanqiu Shibao [Global Times]*, 17 October 2012, http://opinion.huanqiu.com/opinion_world/2012-10/3193760.html.

371. For example, see Kai He and Huiyun Feng, 'Xi Jinping's Operational Code Beliefs and China's Foreign Policy,' *The Chinese Journal of International Politics* 6, no. 3 (2013): 209-231; Xuetong Yan, 'From Keeping a Low Profile to Striving for Achievement,' pp. 153-184; Feng Zhu and Peng Lu, 'Be Strong and Be Good? Continuity and Change in China's International Strategy under Xi Jinping,' *China Quarterly of International Strategic Studies* 1, no. 1 (2015): 19-34.

372. Theresa Fallon, 'The New Silk Road: Xi Jinping's Grand Strategy for Eurasia,' *American Foreign Policy Interests* 37, no. 3 (2015): 140-147.

Soft balancing theorists point out that secondary power may adopt a soft balancing strategy to counter the perceived threats from the hegemon through economic, political, diplomatic, and institutional means, since the traditional hard balancing is too costly and risky.³⁷³ As regional multilateral regimes help overcome collective action problem and facilitate cooperation towards common interests and objectives, secondary powers have strong incentive to initiate, utilize or dominate regional multilateral institution and cooperation to counter coercion and threat from a superior power. This specially applies to Sino-US competition. With limited military capabilities, it would be quite unwise for Beijing to undertake traditional hard balancing against the American hegemony. Accordingly, China is strongly motivated to pursue a soft balancing strategy against the US through institutional methods.

While China's rise is seen as a challenge to American dominance in Asia-Pacific,³⁷⁴ Washington's 'Pivot to Asia' strategy is a direct response to China's growing role.³⁷⁵ The TPP and Transatlantic Trade and Investment Partnership (TTIP) that don't include Beijing can be seen as an updated version of US strategic containment of China, since Washington attempts to build an 'anyone but China' club by forging Transatlantic and Transpacific links to interconnect East Asia, North America and the European Union. As China's economy is heavily dependent on Asian, European and American markets, the US's intention to reshape the global trading regime through the TPP and the TTIP is to limit China's access to those markets, 'choke' its economic growth, undermine Beijing's ability to expand its

373. On the soft balancing theory, see Robert Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45; Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46-71; Stephen G. Brooks, William C. Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108; Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518.

374. See Christopher Layne, 'The Unipolar Illusion: Why New Great Powers Will Rise,' *International Security* 17, no. 4 (2009): 5-51; Jeffrey W. Legro, 'What China Will Want: The Future Intentions of a Rising Power,' *Perspective on Politics* 5, no. 5 (2007): 515-534; Robert G. Sutter, 'Assessing China's Rise and US Leadership in Asia: Growing Maturity and Balance,' *Journal of Contemporary China* 19, no. 65 (2010): 591-604.

375. Hilary Clinton, 'America's Pacific Century,' *Foreign Policy* 189, (2011): 56-63; David Beitelman, 'America's Pacific Pivot,' *International Journal* 67, no. 4 (2012): 1073-1094.

influence regionally and globally, and constrain its continued rise.³⁷⁶ According to Richard Baldwin, a country or region that has been excluded from a preferential agreement is strongly motivated to join a similar bloc or build a new bloc to counterbalance the negative effect of being excluded.³⁷⁷ Therefore, the BRI is considered a response to Washington's attempt to create new trading blocs that exclude China.³⁷⁸

The BRI that goes far beyond a pure trade agenda can be seen as a bold geo-economic initiative to advance Beijing's geopolitical and geostrategic goals. Thus, this initiative keeps its relevance even if Trump decided to withdraw from the TPP. As regional multilateral cooperation provides a new approach to establish an interests-based coalition between China and other Eurasian partners, the BRI can serve as a vehicle of soft balancing for Beijing to counterbalance American preponderance without provoking it directly. The logic of undertaking a strategy of soft balancing against the US through the BRI lies in establishing strategic interdependence, reassuring Eurasian partners of the peaceful intention of China's rising power, deterring the formation of any form of anti-China coalition or 'anyone but China' club.

China's increasing economic power is the key to understand how the BRI is used by Beijing as a means of soft balancing against the US. Given the size and dynamism of the Chinese economy, promoting regional economic cooperation and integration within the BRI will enhance asymmetric economic interdependence between Beijing and other Eurasian countries, making those countries much more dependent on

376. Ashley J. Tellis, 'The Geopolitics of the TTIP and the TPP,' *Adelphi Series* 54, no. 450 (2014): 93-120; Evelyn S. Devadason, 'The Trans-Pacific Partnership (TPP): the Chinese Perspective,' pp. 462-479; Michael J. Green and Matthew P. Goodman, 'After TPP: The Geopolitics of Asia and the Pacific,' *The Washington Quarterly* 38, no. 4 (2015): 19-34; Roberto Bendini, 'EU and US Trade Policy and its Global Implications: TPP, TTIP and China,' *Directorate-General for External Policies*, 7 July 2014, http://www.europarl.europa.eu/RegData/etudes/briefing_note/join/2014/522349/EXPO-INTA_SP%282014%29522349_EN.pdf.

377. Richard Baldwin, 'A Domino Theory of Regionalism,' *NBER Working Papers* no. 4465, National Bureau of Economic Research, September 1993, <http://www.nber.org/papers/w4465.pdf>.

378. William H. Overholt, 'One Belt, One Road, One Pivot,' *Global Asia* 10, no. 3 (2015): 1-8.

Beijing economically than vice versa. Such asymmetric economic interdependence enables Beijing to translate its economic power into political power, leverage its influence over those Eurasian countries to its strategic interests,³⁷⁹ and undermine the US dominance in Eurasia and beyond.

Figure 1 shows how China's trade volume with 65 BRI countries has risen much more dramatically than US's trade volume with them. The share of China's trade with the BRI countries in its total trade jumped sharply from 19% to 26% between 2005 and 2014, whereas the share of US's trade with those countries in its total trade only experienced a small increase from 13% to 15%. In the meanwhile, China has replaced the US as the world's largest trading nation in 2012 and almost become the largest trading partner of all the BRI countries. The picture is quite similar when looking at the Foreign Direct Investment (FDI). According to the World Investment Report 2016 by the United Nations Conference on Trade and Development (UNCTAD), China became the world's second largest investor in 2015.³⁸⁰ **Figure 2** indicates that China's outward FDI into the BRI countries has constantly risen from only 9.08 billion in 2006 to 109.77 billion in 2015, constituting 75% of its total outward FDI for that year. After the launching of the BRI, China's outward FDI into the BRI countries has increased from 75.94 billion in 2013 to 109.77 billion in 2015 while its outward FDI into the rest of world almost remained unchanged during the same period.

Despite its repeated commitment to peaceful rise, China's growing power and influence has generated a great deal of mistrust, anxiety and fear in the region. Those who perceive China's rise as a threat are more likely to shape a balancing coalition or 'anyone but China' club to contain China's expanding influence through isolation, marginalization and boycotting.³⁸¹ In this context, Beijing's efforts to enhance

379. See Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' pp. 489-518; Miles Kahler and Scott L. Kastner, 'Strategic Uses of Economic Interdependence: Engagement Policies on the Korean Peninsula and Across the Taiwan Strait,' *Journal of Peace Research* 43, no. 5 (2006): 523-541; Paul A. Papayoanou, *Power Ties: Economic Interdependence, Balancing, and War* (Ann Arbor, MI: Michigan University Press, 1999).

380. United Nations Conference on Trade and Development (UNCTAD), *World Investment Report 2016* (Geneva: United Nations, 2016), http://unctad.org/en/PublicationsLibrary/wir2016_en.pdf.

381. On the dynamic relations between Beijing, Washington and other Asian states, see Evelyn Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional

regional multilateral cooperation within the BRI can not only reassure Eurasian countries of the peaceful nature of its rising power but also deter those countries to form an anti-China coalition or join US-led alliance against China. Therefore, the BRI provides a pragmatic way for China to reassure its partners, deter its rivals, and undermine the US power and influence without stirring up a war.

The South China Sea issue offers a good example of how the BRI serves as a means of soft balancing for China to undermine US power and influence. In July 2016, the Permanent Court of Arbitration (PCA) issued a ruling in favor of a US-backed Philippine challenge to China's territorial claims in the South China Sea despite strong opposition from Beijing. Meanwhile, Washington's Asian and European allies who have close economic ties with Beijing are unwilling to endorse the PCA ruling. For example, the EU failed to issue a timely statement on the ruling as Athens and Budapest blocked such a EU statement criticizing Beijing.³⁸² These two countries' growing dependence on Chinese investment and their eagerness to play a pivotal role in the BRI caused them reluctantly to annoy Beijing. Although the EU finally reached a common position after three days of difficult negotiation, but Brussels only issued a vague and neutral statement acknowledging the PCA ruling without direct reference to Beijing.³⁸³ Similarly, ASEAN failed to issue a joint statement upholding the PCA ruling³⁸⁴ as the stance of ten ASEAN countries were deeply divided: 1) Laos and Cambodia opposed the ruling; 2) Thailand, Myanmar, Malaysia (as one of claimants), Brunei (as one of claimants), Indonesia (as one of claimants), and Singapore (as US's ally) maintained a neutral position; 3) the Philippines and Vietnam supported the

Security Strategies,' *International Security* 32, no. 3 (2008): 113-157; Suisheng Zhao and Xiong Qi, 'Hedging and Geostrategic Balance of East Asian Countries toward China,' *Journal of Contemporary China* 25, no. 100 (2016): 485-499.

382. Georgi Gotev, 'EU Unable to Adopt Statement Upholding China Sea Ruling,' *Euroactive*, 14 July 2016,

<http://www.euractiv.com/section/global-europe/news/eu-unable-to-adopt-statement-upholding-south-china-sea-ruling/>.

383. Theresa Fallon, 'The EU, the South China Sea, and China's Successful Wedge Strategy,' *Center for Strategic and International Studies*, 13 October 2016,

<https://amti.csis.org/eu-south-china-sea-chinas-successful-wedge-strategy/>.

384. Louise Watt, 'Recent Developments Surrounding the South China Sea,' *Associated Press*, 7 August 2017,

https://www.washingtonpost.com/world/asia_pacific/recent-developments-surrounding-the-south-china-sea/2017/08/07/f3d2d97a-7b30-11e7-b2b1-aeba62854dfa_story.html.

ruling. After Rodrigo Duterte took power, the Philippines' stance on the South China Sea disputes experienced a stunning reversal. While Manila desires to gain Chinese investment and aid and join the Maritime Silk Road for improving infrastructures and boosting growth, Duterte not only decided to suspend the PCA ruling but also agreed to resolve disputes through a bilateral dialogue,³⁸⁵ accommodating Beijing's strategic interests at the expense of Washington.

Building soft and normative power

As China's rapid economic growth has facilitated a dramatic increase in its military might and international security presence, its growing hard power has fueled the perceptions of the 'China Threat' that make it difficult to expand its influence regionally and globally. Chinese policymakers realized that China's rise to great power status relies not only on formidable hard power but also on soft power.³⁸⁶ Thus, Beijing is keen to promote its soft power through various means, including not only culture and public diplomacy but also economic and diplomatic levers such as aid, investment and participation in or creation of regional multilateral organizations.³⁸⁷ Enhancing soft power through regional multilateral cooperation not merely assists Beijing in increasing its global image and international prestige as a peaceful, benign and responsible power,³⁸⁸ but also helps persuade others to accept and recognize its rising power status in the international community, facilitating its peaceful rise.³⁸⁹

385. Dongyang Zhu, 'Duterte's Visit Presents Overdue Opportunity for China-Philippines Rapprochement,' *Xinhua News Agency*, 18 October 2016, http://news.xinhuanet.com/english/2016-10/18/c_135762185.htm.

386. On soft power, see Joseph S. Nye Jr., 'The Changing Nature of World Power,' *Political Science Quarterly* 105, no. 2 (1990): 177-92.

387. Chin-Hao Huang, 'China's Soft Power in East Asia: A Quest for Status and Influence?' *NBR Special Report* 42 (Washington: The National Bureau of Asian Research, 2013); Gregory G. Holyk, 'Paper Tiger? Chinese Soft Power in East Asia,' *Political Science Quarterly* 126, no. 2 (2011): 223-254; Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World* (New Haven: Yale University Press, 2007).

388. Georgiana Boboc, 'The Belt and Road Initiative: China's Soft Power Strategy,' *China Daily*, 5 July 2017, http://www.chinadaily.com.cn/opinion/2017beltandroad/2017-06/05/content_29618551.htm.

389. Xin Li and Verner Worm, 'Building China's Soft Power for a Peaceful Rise,' *Journal of Chinese Political Science* 16, no. 1 (2011): 69-89; Ian Hall and Frank Smith, 'The Struggle

Jay Jackson defined normative power as the potential influence over others' activity and behavior through the power of norms and stressed the 'domain and range' of legitimate behavior.³⁹⁰ While power shifts often prompt normative transformation in the international system, China, as a rising power, has a strong motive to promote political identity and legitimacy of its rising power and build its role as a normative power through the promotion of alternative ideas, rules and norms in international fora.³⁹¹ More importantly, Beijing's efforts to construct its identity as a normative power will increase its normative authority and legitimacy at the expense of Washington and consolidate its role as a great power in the international system.³⁹²

Regional multilateral initiatives such as the BRI are essential to produce common rules, promote alternative norms, and socialize ideas of interactive cooperation for bolstering Beijing's soft power and building its role as a normative power. In November 2014, at the Central Conference on Work on Foreign Affairs, Xi Jinping emphasized the importance of building the BRI in the following terms:

"We should seek other countries' understanding of and support for the Chinese dream, which is about peace, development, cooperation and win-win outcomes. What we pursue is the wellbeing of both the Chinese people and the people of all other countries ... We should make more friends while abiding by the principle of non-alignment and build a global network of partnership. We should increase China's

for Soft Power in Asia: Public Diplomacy and Regional Competition,' *Asian Security* 9, no. 1 (2013): 1-18.

390. Jackson Jay, 'Normative Power and Conflict Potential,' *Sociological Methods & Research* 4, no. 2 (1975): 237-239; Manners Ian, 'Normative Power Europe: A Contradiction in Terms?' *Journal of Common Market Studies* 40, no. 2 (2002): 235-258.

391. See Emilian Kavalski, 'The Struggle for Recognition of Normative Powers: Normative Power Europe and Normative Power China in Context,' *Cooperation & Conflict* 48, no. 2 (2013): 247-267; Emilian Kavalski, 'The Shadows of Normative Power in Asia: Framing the International Agency of China, India, and Japan,' *Pacific Focus* 29, no. 3 (2014): 303-328; Yongjin Zhang, 'China and the Struggle for Legitimacy of a Rising Power,' *The Chinese Journal of International Politics* 8, no. 3 (2015): 301-322.

392. Xuetong Yan, 'The Rise of China and Its Power Status,' *The Chinese Journal of International Politics* 1, no. 1 (2006): 5-33; Deborah Welch Larson and Alexei Shevchenko, 'Status Seekers: Chinese and Russian Responses to U.S. Primacy,' *International Security* 34, no. 4 (2001): 63-95.

soft power, give a good Chinese narrative, and better communicate China's message to the world.”³⁹³

Since the end of World War II, the principle of Westphalian sovereignty has become the cornerstone of contemporary international relations and the liberal international order. However, the norms of Westphalian sovereignty were eroded by the global competition between US and the Soviet Union during the Cold War. These norms have also been undermined in the post-Cold War era when Washington sought to create an American-led liberal hegemonic order and undergone a normative shift in international relations from a Westphalian to a post-Westphalian model. The Five Principles of Peaceful Coexistence that China initiated together with India and Myanmar in 1954 are not only a basic norm governing China's foreign policy and international relations,³⁹⁴ but also a major source of China's normative power. At the 60th anniversary of the Five Principles of Peaceful Coexistence, Chinese President Xi Jinping stressed that:

“These five principles, as an integrated, interconnected, and indivisible concept, capture the essence of today's international relations, and can apply to relations among all countries regardless of their social system, stage of development or size. Principles have effectively upheld the rights and interests of the developing world and have played a positive role in building a more equitable and rational international political and economic order.”³⁹⁵

Promoting the Five Principles of Peaceful coexistence is not only an effort to oppose any imposition of norms and values on others and interference in other countries' domestic affairs, but also an attempt to enhance China's role as a normative power that champions an international order based on the concept of Westphalian sovereignty and peaceful coexistence. Establishing and enhancing regional multilateral cooperation within the BRI is part of Beijing's efforts to diffuse those

393. *Xinhua News Agency*, ‘Xi Eyes More Enabling International Environment for China's Peaceful Development,’ *Xinhua News Agency*, 24 November 2014, http://news.xinhuanet.com/english/china/2014-11/30/c_133822694_4.htm.

394. Xinbo Wu, ‘Four Contradictions Constraining China's Foreign Policy Behavior,’ *Journal of Contemporary China* 10, no. 27 (2001): 293-301; Qimao Chen, ‘New Approaches in China's Foreign Policy: The Post-Cold War Era,’ *Asian Survey* 33, no. 3 (1993): 237-251.

395. Fu Peng, ‘Five Principles of Peaceful Coexistence not Outdated: Chinese President,’ *Xinhua News Agency*, 28 June 2014, http://news.xinhuanet.com/english/china/2014-06/28/c_133445548.htm.

norms and ideas across the continent. The vision and action plan for the BRI upholds the Five Principles of Peaceful Coexistence and adds:

“The Initiative is harmonious and inclusive. It advocates tolerance among civilizations, respects the paths and modes of development chosen by different countries, and supports dialogues among different civilizations on the principles of seeking common ground while shelving differences and drawing on each other's strengths, so that all countries can coexist in peace for common prosperity”.³⁹⁶

More recently, in his speech at the opening ceremony of the Belt and Road Forum for International Cooperation in Beijing, Xi Jinping underlined the importance of upholding the Five Principles of Peaceful Coexistence in implementing the BRI:

“China will enhance friendship and cooperation with all countries involved in the Belt and Road Initiative on the basis of the Five Principles of Peaceful Co-existence. We are ready to share practices of development with other countries, but we have no intention to interfere in other countries' internal affairs, export our own social system and model of development, or impose our own will on others. In pursuing the Belt and Road Initiative, we will not resort to outdated geopolitical maneuvering. What we hope to achieve is a new model of win-win cooperation. We have no intention to form a small group detrimental to stability, what we hope to create is a big family of harmonious co-existence.”³⁹⁷

The BRI provides Beijing with great opportunities to promote those norms among countries and regions along the Silk Road. In a joint statement issued by Chinese and Serbian leaders in June 2016, the two countries not only agreed to promote regional connectivity between China and Central and Eastern European countries (CEEs) within the BRI, but also “pledged to respect and support each other in choosing development paths and policies according to their national conditions, and in issues of core interests and common concern, based on the principles of mutual respect, equality and non-interference in internal affairs”.³⁹⁸ One week later, at a trilateral

396. See National Development and Reform Commission, ‘Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,’ *The State Council of China*, 28 March 2015.

397. Xinhua News Agency, ‘President Xi’s Speech on Work Together to Build the Silk Road Economic Belt and The 21st Century Maritime Silk Road,’ *Xinhua News Agency*, 14 May 2017, http://news.xinhuanet.com/english/2017-05/14/c_136282982.htm.

398. Xinhua News Agency, ‘China, Serbia Publish Blueprint for Upgrading Partnership,’ *Xinhua News Agency*, 18 June 2016, http://news.xinhuanet.com/english/2016-06/18/c_135447513.htm.

meeting of leaders of China, Russia and Mongolia in Tashkent, Xi Jinping, Vladimir Putin and Tsakhiagiin Elbegdorj agreed to boost trilateral cooperation within the BRI and construct the China-Russia-Mongolia Economic Corridor. And Putin said: “Russia, China and Mongolia are friendly neighbors based on equality, respect and mutual benefit”³⁹⁹ that certainly conforms the spirit of the Five Principles. Also during Aung San Suu Kyi’s visit to Beijing in August 2016, the two leaders issued a joint statement,⁴⁰⁰ saying that the two sides agreed to push forward China-Myanmar “Paukphaw” friendship, China-Myanmar comprehensive strategic cooperative partnership, and the Bangladesh-China-India-Myanmar Economic Corridor within the BRI on the basis of the Five Principles of Peaceful Coexistence.

In line with the Five Principles, China also proposed new ideas and concepts such as Peaceful Rise, Peaceful Development, Harmonious World, and Community of Common Destiny to enhance its soft power. The concepts of peaceful rise and peaceful development were first proposed by Chinese scholar Zheng Bijian⁴⁰¹ and then reiterated by Chinese President Hu Jintao to rebut against the ‘China Threat’ theory. Hu Jintao also proposed the idea of building a harmonious world to enhance Beijing’s normative narrative and its role as a peaceful power.⁴⁰² Along with the BRI, Xi Jinping proposed the concept of a community of common destiny, underlining that “the world has increasingly grown into a community where one’s destiny is interwoven with that of another” and China is working to promote common development and prosperity of all countries towards building a community of shared interests, destiny and responsibility.⁴⁰³

399. Xinhua News Agency, ‘China, Russia, Mongolia Endorse Development Plan on Economic Corridor,’ *Xinhua News Agency*, 24 June 2016, http://news.xinhuanet.com/english/2016-06/24/c_135461510.htm.

400. Ministry of Foreign Affairs, ‘Joint Press Release Between the People’s Republic of China and the Republic of the Union of Myanmar,’ *Ministry of Foreign Affairs of China*, 20 August 2016, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1390889.shtml.

401. Bijian Zheng, ‘China’s ‘Peaceful Rise’ to Great-power Status,’ *Foreign Affairs* 84, no. 5 (2005): 18-24.

402. See Xinhua News Agency, ‘Chinese President Calls for Building Harmonious World,’ *Xinhua News Agency*, 24 September 2009, http://news.xinhuanet.com/english/2009-09/24/content_12104060.htm.

403. Xinhua News Agency, ‘Xi’s World Vision: A Community of Common Destiny, a Shared Home for Humanity,’ *Xinhua News Agency*, 15 January 2017, http://news.xinhuanet.com/english/2017-01/15/c_135983586.htm.

Reshaping global governance

Robert Gilpin argues that “as its relative power increases, a rising state attempts to change the rules governing the system”.⁴⁰⁴ Indeed, while China grows more powerful, the country becomes increasingly dissatisfied with the status quo. As a result, Beijing seeks to reshape global governance and transform the existing international system in a way that reflects its values, interests and status. Many realist scholars believe that the Sino-US power competition will inevitably lead to a war and thus China cannot rise peacefully.⁴⁰⁵ This chapter will challenge this viewpoint by illustrating how China attempts to transform the US-dominated global system and promote its international status in a peaceful way, which is embedded in regional multilateralism. Randall Schweller and Xiaoyu Pu contend that a peer competitor that does not possess the military capabilities to directly challenge the US hegemony through hard balancing seeks to create a new international order by shaping a revisionist counterhegemonic coalition and delegitimizing the hegemon’s global authority.⁴⁰⁶ Therefore, China has strong motive to forge an interest-based coalition to reshape the global governance system by either joining existing multilateral institutions or initiating new multilateral institutions.⁴⁰⁷

Since the end of World War II, the Western-dominated global multilateral institutions such as the International Monetary Fund (IMF), the World Bank and the World Trade Organization have played a central role in global governance. However,

404. Robert Gilpin, *War and Change in World Politics* (Princeton: Princeton University Press, 1981), p. 187.

405. See Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap?* (Boston: Houghton Mifflin Harcourt, 2017); Zbigniew Brzezinski, ‘Can China Avoid the Thucydides Trap?’ *New Perspectives Quarterly* 31, no. 2 (2014): 31-33; John J. Mearsheimer, ‘Can China Rise Peacefully?’ *The National Interest*, 25 October 2014, <http://nationalinterest.org/commentary/can-china-rise-peacefully-10204>.

406. See Randall L. Schweller and Xiaoyu Pu, ‘After Unipolarity: Chinas Visions of International Order in an Era of U.S. Decline,’ *International Security* 36, no. 1 (2011): 41-72.

407. On the legitimacy of global governance, see Jan Aart Scholte, ‘Towards Greater Legitimacy in Global Governance,’ *Review of International Political Economy* 18, no. 1 (2011): 110-120; James Brassett and Eleni Tsingou, ‘The Politics of Legitimate Global Governance,’ *Review of International Political Economy* 18, no. 1 (2011): 1-16.

the Bretton Woods system has become increasingly problematic when the balance of global economic power is shifting from established powers to emerging powers. The creation of the G-20 after the 2008 global financial crisis not only symbolized a relative decline of US global economic power, but also reflected a growing consensus on reshaping the existing global governance system. China and other emerging powers have a strong desire to promote the fundamental transformation of the US-dominated global system towards a more inclusive and equitable international order.⁴⁰⁸ At a work conference on China's foreign affairs in November 2014, Chinese President Xi Jinping said: "We should strengthen unity and cooperation with other developing countries and closely integrate our own development with the common development of other developing countries. We should advance multilateral diplomacy, work to reform the international system and global governance, and increase the representation and say of China and other developing countries".⁴⁰⁹

Given that China is still too weak to challenge the US's global leadership alone, the BRI spanning 65 countries across Asia, Europe and Africa allows Beijing to form a bargaining coalition and shape a 'community of shared interests' towards reshaping the global governance system. As an integral part of the BRI, the AIIB has offered a good example of how China seeks to reshape global financial governance through the creation of new multilateral institution. In 2013, China announced plans to launch the AIIB in order to meet enormous investment demand in BRI infrastructure projects, making it the first developing country seeking to create a multilateral financial institution. While Washington heavily lobbied its allies not to join the bank, George Osborne, British Chancellor of the Exchequer, surprisingly announced in March 2015 that the UK would join the AIIB. That astonished the whole world including Washington and triggered a domino effect. When the AIIB started operations in January 2016, the bank had 57 founding members, including Washington's closest allies such as the UK, Germany, France, Australia, Israel, and South Korea. After only six months, Canada as the US's closest ally also announced its decision to join the AIIB. Currently, the AIIB has expanded its membership to 80 and become the world's third largest multilateral financial institution after the IMF and the World Bank.

408. See Joseph Y.S. Cheng, 'China's Approach to BRICS,' *Journal of Contemporary China* 24, no. 92 (2015): 357-375.

409. Xinhua News Agency, 'Xi Eyes More Enabling International Environment for China's Peaceful Development,' *Xinhua News Agency*, 24 November 2014, http://news.xinhuanet.com/english/china/2014-11/30/c_133822694_4.htm.

For a very long time, western countries have dominated the agenda-setting, veto authority and discourse in global financial institutions. Beijing persistently pushed for quota reforms of the IMF and the World Bank for giving China and other emerging economies more voting power to better reflect the changes in global economic power, but failed. Soon after the launching of the AIIB, everything began to change. In December 2015, the IMF conceded to include the Renminbi as the fifth currency in its Special Drawing Rights basket. Two weeks later, the US congress finally approved the IMF quota reform after five years of blocking. As a result, China's voting power in the IMF increased from 2.98 percent in 2006 to 6.11 percent in 2016 and ranked the third place after the US (16.53%) and Japan (6.16%).⁴¹⁰ Meanwhile, China's voting power in the World Bank also increased from 2.77 percent to 4.64 percent in 2016 and ranked the third place after the US (16.63%) and Japan (7.19%).⁴¹¹ The AIIB is not merely a response to the poor governance of global financial institutions, but also a catalyst for shaping a new global financial order, enabling Beijing to play a greater role in the global financial system.

The AIIB is the first multilateral financial institution created and ruled by emerging and developing countries. Although the environmental and social framework of the AIIB is inspired by best practices of the multilateral institutions such as the World Bank and the IMF, there exists a difference in norms and rules between them. At the 2015 China Development Forum in Beijing, China's Finance Minister Lou Jiwei commented on the governance and operational rules of AIIB, saying that "the AIIB is a multilateral institution led by developing countries. We need to consider their needs and sometimes the West puts forwards some rules that we don't think are optimal".⁴¹² Indeed, the Western-dominated multilateral financial

410. See more details: IMF Members' Quotas and Voting Power, and IMF Board of Governors, *International Monetary Organization*, 5 July 2016, <https://www.imf.org/external/np/sec/memdir/members.aspx>.

411. See International Bank for Reconstruction and Development Subscriptions and Voting Power of Member Countries, *World Bank*, 1 July 2016, <http://siteresources.worldbank.org/BODINT/Resources/2780271215524804501/IBRDCountryVotingTable.pdf>.

412. Guancha, 'Caizheng Buzhang Lou Jiwei jiu Yatouhang Fanbo Yakaihang Hangzhang: Xifang Guize Bingfei Zuijia' ['Chinese Finance Minister Lou Jiwei Responds to the President of Asian Development Bank: Western Rules May be not Best for AIIB'], *Guancha* [*The Observer*], 22 March 2015, http://www.guancha.cn/economy/2015_03_22_313149.shtml.

institutions have long been criticized for imposing additional conditions such as privatization and liberalization on loans to developing countries.⁴¹³ The China-led AIIB not only provides an alternative to the existing Western-dominated multilateral institutions, but also serves as a promising instrument to shape a bargaining coalition to transform the existing global governance system and boost Beijing's global role from rule-taker to rule-maker.⁴¹⁴

While Obama stressed the importance of the TPP by stating: “we can’t let countries like China write the rules of the global economy”,⁴¹⁵ China is playing a key role in shaping a new international economic order. As a rule-taker, China has benefited enormously from the existing international order and its rules and norms. When China's interests become global, China desires to play a greater role in global governance. As the US-dominated global system has no space left for any emerging power which might challenge its hegemonic status, it presents Beijing with a real dilemma on how to advance its global interests, transform the existing international system, and establish its role as a global rule-maker. Establishing the BRI and AIIB is part of Beijing's efforts not only to reshape global governance and strengthen its global leadership role, but also to delegitimize the US-dominated system and create a fairer and more inclusive international order. Thus, China is neither a pure status quo power nor a revisionist power, since Beijing, as the largest beneficiary of the existing international order, has no intentions or capabilities to replace the US hegemonic position and overthrow the existing order. Instead, China struggles for a revision of

413. James Raymond Vreeland, *The International Monetary Fund: Politics of Conditional Lending* (London and New York: Routledge, 2007); Susanne Lütz and Matthias Kranke, ‘The European Rescue of the Washington Consensus? EU and IMF Lending to Central and Eastern European Countries,’ *Review of International Political Economy* 21, no. 2 (2014): 310-338.

414. See Xiao Ren, ‘China as an Institution-builder: The Case of the AIIB,’ *Pacific Review* 29, no. 3 (2016): 435-442; Chao Xi, From Rule-Taker to Rule-Maker: China and International Banking Regulation, in Friedl Weiss and Kammel Armin, eds., *The Changing Landscape of Global Financial Governance and the Role of Soft Law* (Leiden: Brill, 2015): 312-336; Philip Stephens, ‘Now China Starts to Make the Rules,’ *The Financial Times*, 28 May 2015, <https://www.ft.com/content/9dafcb30-0395-11e5-a70f-00144feabdc0>.

415. The White House, ‘Statement by the President on the Trans-Pacific Partnership,’ *Office of the Press Secretary of the White House*, 5 October 2015, <https://www.whitehouse.gov/the-press-office/2015/10/05/statement-president-trans-pacific-partnership>.

the US-established international order through the transformation of global governance system, achieving its peaceful rise to great power status.

Conclusion: big ideas, great opportunities, and potential challenges

China's approach towards the BRI is strongly motivated by a multifaceted grand strategy in search for security, influence, and status. As regional multilateral cooperation provides a peaceful way to transform the existing international system and avoid a classic 'Thucydides Trap', the BRI serves as a strategic maneuver for Beijing to advance its foreign policy goals. First, the BRI is strategically and tactically used by Beijing as a vehicle of soft balancing against the US, as regional multilateral cooperation allows Beijing to establish asymmetric interdependence over other Eurasian partners, to reassure those partners of the peaceful nature of its rising power and to deter the formation of any anti-China coalition or 'anyone but China' club. Second, China seeks to promote alternative ideas and norms and build its role as a normative power through the BRI for enhancing the legitimacy of its rising power at the expense of US normative authority and legitimacy. Third, China attempts to form a bargaining coalition through the BRI and AIIB for reshaping the global governance system and enhancing its global leadership role in the existing international order.

Although the BRI will significantly strengthen China's role on the world stage, this ambitious initiative faces potential challenges including geopolitical rivalry, security threats, territorial disputes and political risks. First, the geopolitical rivalry arising from China's expanding global role may pose a potential challenge to the BRI. New Delhi's negative position towards the China-Pakistan Economic Corridor and its boycott of the Belt and Road Forum for International Cooperation illustrates this point.⁴¹⁶ Second, potential security threats might impair regional connectivity and cooperation in the Eurasian space as the BRI covers unstable regions such as the Middle East and Central Asia. Third, territorial disputes, especially in the South China Sea, could undermine Beijing's efforts to promote regional multilateral cooperation

416. Ministry of External Affairs, 'Official Spokesperson's Response to a Query on Participation of India in OBOR/BRI Forum,' *Ministry of External Affairs of the Government of India*, 13 May 2017,

http://www.mea.gov.in/mediabriefings.htm?dtl/28463/Official_Spokespersons_response_to_a_query_on_participation_of_India_in_OBORBRI_Forum.

among the countries along the BRI.⁴¹⁷ As the South China Sea is at the core of Maritime Silk Road, overlapping sovereignty claims over the disputed islands and waters might pose a great obstacle to multilateral cooperation between China and other Asian countries. Fourth, political turbulence in the conflicted and failed states along the BRI brings out political risks and uncertainty to the implementation of the BRI projects.

While the world order is undergoing a dramatic change, the recent Belt and Road Forum for International Cooperation, attended by more than 1,500 representatives from over 130 countries and 70 international organizations, demonstrates Beijing's ambition for a more prominent global leadership role. As the Trump Administration's anti-globalization sentiment and 'America first' doctrine have raised doubts about the US's leadership role in the liberal economic order, the BRI provides the impetus for a new wave of globalization that enables China to play a greater global role in the new international economic order. The BRI that aims to promote common development and prosperity of all the countries not only manifests China's commitment to peaceful rise, but also presents a Chinese vision for a new world order based on the harmonious and peaceful co-existence.

417. William A. Callahan, 'China's "Asia Dream": The Belt Road Initiative and the New Regional Order,' *Asian Journal of Comparative Politics* 1, no. 3 (2016): 226-243.

CHAPTER SIX

CONCLUSION: REGIONAL MULTILATERALISM: AN ALTERNATIVE PATH TO CHINA'S PEACEFUL RISE

Introduction

No single issue has attracted so much attention in the study of International Relations than China's rise and its impact on the existing international system. Not only is China moving to replace the US's position of the world's largest economy in the coming decade, but the military modernization of the People's Army of Liberation (PLA) has also enabled it to expand its global reach from the Asian to African and Latin American continents, and from the Indian to Pacific and Atlantic Oceans. When China's rising economic and military power is reshaping the balance of power regionally and globally, there is a little doubt that the awakened dragon will recover a central place on the world stage. Most of the literature has predicted China's rise to great power status, but little has been done to further explain: how can China as a rising power overcome stark security dilemmas arising from the Sino-US strategic rivalry? How can China as a non-western power transform the US-dominated global system? And how can China use its formidable material power to promote its power status and achieve a peaceful rise? When many scholars believe that China can't rise peacefully,⁴¹⁸ this thesis tries to challenge this viewpoint by illustrating the role of regional multilateralism in China's foreign policy, arguing that regional multilateralism presents an alternative path for China to achieve its peaceful rise.

Regional multilateralism has become a new paradigm in the international system as it offers a more intensive and multidimensional process interconnecting

418. See John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001); John J. Mearsheimer, 'China's Unpeaceful Rise,' *Current History* 105, no. 690 (2006), p. 160; Aaron L. Friedberg, 'The Future of U.S.-China Relations: Is Conflict Inevitable?,' *International Security* 30, no. 2 (2005): 7-45; Jianjong Yue, 'Peaceful Rise of China: Myth or Reality?,' *International Politics* 45, no. 4 (2008): 439-56; Barry Buzan, 'China in International Society: Is 'Peaceful Rise' Possible?,' *The Chinese Journal of International Politics* 3, no. 1 (2010): 5-36.

various actors not only to facilitate dialogue, build cooperation, and reach consensus on regional and global issues, but also effectively remedy the increasing imperfection, uncertainty and inefficiency of unilateralism, bilateralism and multilateralism. This dissertation has tried to provide new insight into the role of regional multilateralism in international relations by exploring the logic of China's engagement in regional multilateralism. In particular, this work has tried to examine the growing role of regional multilateralism in Chinese foreign policy, and illustrate how China as a rising power attempts to ensure its security, promote its power status, and transform the US-dominated global order and system towards a peaceful rise by establishing, developing and institutionalizing regional multilateral cooperation in East Asia, Central Asia and the Eurasian landmass. To present the main conclusions of this thesis, this chapter is divided into three sections. Section two provides the main findings of the three case studies by focusing on the motivations and calculations, the relevance and significance, the success and limits of China's approach towards regional multilateralism in East Asia, the Shanghai Cooperation Organization and the Belt and Road Initiative. Section three discusses if regional multilateralism as a new paradigm in Chinese foreign policy presents an alternative way to a peaceful rise and highlights the limited role of regional multilateral institutions in international relations.

Main findings of the thesis

Regional multilateralism has been a new paradigm for Chinese foreign policy as it provides a new approach not only to enhance cooperation, coordination, and collaboration among the involved actors towards common interests, demands and autonomy but also reshape the international relations inside and outside regional multilateral institutions at regional and global levels. Built on the neorealist, neoliberal and constructivist perspectives, the present thesis has examined the logic of China's engagement in regional multilateralism by conducting three case studies involving the APT, the SCO and the BRI in order to address the three main research questions: *(1) What are the motivations and calculations behind China's evolving foreign policy towards regional multilateralism in East Asia, Central Asia and Eurasia? (2) What are the relevance and significance of regional multilateralism in managing the cooperative and competitive relationship between China and other major powers and its peaceful rise? And (3) what are the success and limits of China's embrace of regional multilateralism in achieving its key foreign policy*

objectives? The main findings are provided to shed some light on the role of regional multilateralism in international relations, enlightening how ideas, interests and institutions influence the country's foreign policy behavior, and how the dynamic interactions of states reshape the international relations inside and outside the institutions at regional and global levels.

Since reform and opening up in 1978, China's evolving foreign policy in regional multilateralism is a strategic adaptation process to the changing domestic, regional and international environment.⁴¹⁹ It is divided into four stages. In the first stage, when China initially reoriented its national development strategy, China adopted a passive and prudent stance to regional multilateral cooperation as Beijing suffered the diplomatic and political isolations in the international community during the Cold War and feared the infringement of the sovereignty by regional multilateral organizations. In the second stage, when the global system shifted from bipolarity to unipolarity at the end of the Cold War, China desired to reintegrate itself into the US-led global economic order, enhance its political, economic, diplomatic ties with rest of the world and hasten its transition and reforms through regional multilateral cooperation in order to bolster its economic growth and modernization process. In the third stage, when Chinese economy started to take off after its accession into the WTO, China growingly engaged in various regional multilateral mechanisms in an effort to advance its geo-economic, geopolitical, geostrategic interests in Asia and globally. In the fourth stage, when China emerged as a regional and global power, Beijing has been a major actor to establish and promote regional multilateral cooperation as it provides a new way for Beijing to confront with emerging security and geopolitical dilemmas, build its soft and normative power and reshape the global governance system.

The *Chapter Three* has examined the motivations and calculations behind China's approach towards regional multilateral institutions in East Asia by using the concept of institutional balancing, it finds that China's activism in regional multilateralism in East Asia is strongly motivated by a strategy of institutional balancing to delay, frustrate and undermine the US's dominant power. In East Asia, Washington's hub-and-spoke system of bilateral military alliances and its forward-deployed military forces have played a vital role in preserving the US

419. See Elizabeth C Economy, 'The Game Changer: Coping with China's Foreign Policy Revolution,' *Foreign Affairs* 89, (2010): 142.

primacy in the region since the Cold War.⁴²⁰ As China's rising power is altering the Asian security architecture, Washington adopts a containment strategy against China for preserving its hegemonic position. This increasingly intensifies the Sino-US power competition in East Asia. At the same time, Beijing also sees the US's military presence in East Asia and its containment strategy as a major challenge to its core interests such as the Taiwan issue and the territorial disputes in the East and South China Seas. In particular, Obama's pivot to Asia and Trump's Indo-Pacific strategy have considerably deteriorated Beijing's security environment. Furthermore, China's expanding power and influence arouse serious concerns in other Asian countries about its hegemonic aspiration even if Beijing reiterated its commitments to peaceful rise.⁴²¹ Its growing assertiveness in the South China Sea has not merely increased the perceptions of China's threat in the region but also worsened geopolitical environment in its periphery.

In an effort to manage its complex relations with Washington and other Asian states and tackle its emerging security dilemmas, China has made use of regional multilateral cooperation and institutions as a vehicle of institutional balancing against the US. Regional multilateral cooperation allows Beijing to establish asymmetric economic interdependence over other Asian countries, reassure those countries of the peaceful nature of its rising power, and deter those countries from forming any anti-China coalition or join a US-led alliance against China. First, regional multilateral cooperation enhances asymmetric economic interdependence between China and other Asian neighbors that enables Beijing to translate its economic power into political power, building its leadership role in East Asia at the expense of Washington's influence. Second, Beijing's proactive engagement in regional multilateral cooperation serves as a 'self-restraint' strategy to reassure its Asian neighbors that China's rise is not a threat instead of an opportunity to regional prosperity and stability, enhancing its role as a peaceful and responsible power and increasing the US's costs to contain the rise of China. Third, regional multilateral cooperation that enhances asymmetric interdependence allows Beijing to leverage its power and influence to its strategic interests and deter the formation of anti-China coalitions, not only limiting any 'hostile' behaviour of those Asian states to endanger Beijing's interests but also eroding US's ability to project power against Beijing.

420. Daniel Twining, 'America's Grand Design in Asia,' *Washington Quarterly* 30, no. 3 (2007): 79-94.

421. Evan S. Medeiros, *Pacific Currents: The Responses of US Allies and Security Partners in East Asia to China's Rise* (Santa Monica: Rand Corporation, 2008).

Accordingly, regional multilateral institutions provide a creative way for Beijing to reshape the international relations of East Asia, reassuring friends, balancing foes, and undermining the US dominance.

Regional multilateralism provides a ‘smart’ way for Beijing to manage its complicated relations with the US and other Asian states and achieve a peaceful rise. However, China’s intentions to undertake a strategy of soft balancing to delay, frustrate and undermine the US’s dominant power by strategically and tactically engaging in regional multilateral cooperation and institutions in East Asia are constrained, since it involves two stages of power competition: power competition between China and the US; and between China and other Asian states. Although Beijing’s effort to establish asymmetric interdependence has been quite successful, its efforts to reassure other East Asian countries about its intentions and the repercussions of its growing power have a mixed record. In an attempt to preserve autonomy and safeguard their national interests, most East Asian states have pursued a hedging strategy to maintain strategic balance between Beijing and Washington, preventing any great power to dominate this region. Only Laos and Cambodia have aligned more consistently with Chinese strategic interests, whereas Japan, Philippines, and Vietnam, which have territorial disputes and/or geostrategic rivalry with China, have been more prone to enhance their security ties with the US for reinforcing their territorial claims or stance against China. In particular, Beijing’s growing assertiveness in the East and South China Seas can be a catalyst for the US and several East Asian states to embark on joint initiatives against China.

The *Chapter Four* has analyzed the rationales behind China’s strategy towards the Shanghai Cooperation Organization (SCO) by using the concept of soft balancing, it concludes that China approach towards the SCO is driven by a strategy of soft balancing against the American hegemony. After the fall of Soviet Union, the geopolitical landscape in Central Asia underwent a profound change. Poor governance and economic deterioration of the former Soviet republics led to regional instability in Central Asia since the 1990s. The spreading of three evils and the color revolutions sponsored by the West posed a great challenge to the security and stability of the western frontier of China. Moreover, Russia adopted a very pro-Western foreign policy in the era of Boris Yeltsin that caused serious concerns in Beijing. The Chinese policymakers believed that Russia’s leanings towards the West might reshape the strategic balance of trilateral relations among Washington, Moscow and Beijing and undermine China’s strategic environment regionally and globally. In particular,

after the terror-attack of 11 September, the US-led NATO expanded its military presence in Central Asia that severely damaged geostrategic interests of both Moscow and Beijing. Having abandoned the Obama Administration's decision to withdraw the military force from Central Asia, the Trump administration decided to continue anti-terror war in Afghanistan after taking office in 2017. The military presence in Central Asia enables Washington not only to threaten Beijing's energy security but also to shape strategic containment and encirclement of China.

While facing security and geopolitical challenges, Beijing's efforts to establish, promote, and institutionalize regional multilateral cooperation in Central Asia are driven by a desire to manage its competitive and cooperative relationship with Moscow, Washington, and other Central Asian states and advance its geo-economic, geopolitical, and geostrategic interests. The SCO is strategically and tactically used by Beijing as a vehicle of soft balancing to isolate, marginalize and undermine the US power and influence in Central Asia and beyond. First, Beijing seeks to form a balancing coalition through the SCO to resist the US's and NATO's expansion in Central Asia as the institutionalization of regional multilateral cooperation provides a mechanism to collectivize demand, interests and autonomy of all the SCO members. Second, Beijing intends to promote norms and values of the 'Shanghai spirit' such as 'sovereignty' and 'non-interference' within the SCO in all efforts to counter the Washington-supported 'Color Revolutions' in Central Asia, ensuring regional security and stability. Promoting common norms within the SCO is clearly an opposition to increasing American intervention in the region, including 'interference in other countries' internal affairs' and 'export of models of social development'.⁴²² Third, Beijing desires to establish a Sino-Russian strategic alliance through the SCO and promote the transformation of the international system from unipolarity to multipolarity, counterbalancing the American hegemony and unilateralism and fostering a more inclusive world order.

However, the Sino-Russia competition and the complex geopolitics of Central Asia might undermine Beijing's attempt to use the SCO as an instrument of soft balancing against the US hegemony. First, although Moscow and Beijing have shared objective and interest in countering the US hegemony, Beijing's expanding power and influence in the former Soviet region have generated anxiety in Moscow that might undermine the Sino-Russian strategic alliance and Beijing's efforts to promote

422. Phunchok Stobdan, 'Shanghai Cooperation Organization: Challenges to China's Leadership,' *Strategic Analysis* 32, no. 4 (2008): 532.

regional multilateral cooperation within the SCO. Second, the complex geopolitics of Central Asia may undermine Beijing's attempt to use the SCO as a vehicle of soft balancing against the hegemon. Central Asian states have not only adopted a hedging strategy to maintain strategic balance between Beijing and Moscow, but also sought to diversify their relations with the EU and US, avoiding overdependence on Beijing and Moscow economically and politically and preserving the state sovereignty and autonomy. Third, after India and Pakistan joined the SCO as full members in 2017, the territorial dispute and geopolitical rivalry between India, Pakistan and China⁴²³ could damage the solidarity of the SCO. When India, Japan, the US and Australian move to shape a Quadrilateral alliance in the Indo-Pacific region against China, the growing strategic ties between India and the US could greatly limit Beijing's attempt to use the SCO as a vehicle of soft balancing to undermine the US power and influence across the region.

The *Chapter Five* has explored the strategic calculations behind China's Belt and Road Initiative. It suggests that China's efforts to enhance regional multilateral cooperation across the Eurasian space through the BRI are strongly motivated by a multifaceted grand strategy in search for security and great power status. China's idea of revitalizing the ancient Silk Road through the BRI is shaped by complex interaction of domestic and international forces with a combination of economic, political and strategic dimensions. On the domestic level, China's economy has entered a 'new normal' status since 2012 because of a decline of global demand and domestic overcapacity. Beijing also attempted to promote the 'Western Development' strategy and 'Go Out' strategy for eliminating developmental imbalance and boosting overseas investment. Thus, the Chinese policymakers sought to set up a mega geo-economic agenda across the continent to promote economic development of its western regions, create new investment opportunities for Chinese firms, and stimulate its economic growth by establishing the BRI. On the international level, when the shift in the global power balance continues, the international system is undergoing a fundamental transformation. The changing balance of global power has intensified the Sino-US rivalry in Asia and beyond as Beijing is 'targeted' by Washington as a peer competitor seeking to replace its global leadership role. Following the Obama Administration's pivot to Asia strategy, the Trump Administration has devised an Indo-Pacific strategy to contain China's expansionism by establishing a wider anti-China alliance across the Indo-Pacific region. In addition, the relative decline of

423. Yang Lu, *China-India Relations in the Contemporary World: Dynamics of National Identity and Interest* (Abingdon and New York: Routledge, 2016).

US global power and the ongoing change of international system are also viewed by Chinese leadership as a period of strategic opportunity for China to reshape global governance system and enhance its global leadership role in the international economic and political order.

In an attempt to manage its complex relations with Washington and other major power and promote its power status in a changing world, the BRI serves as a strategic maneuver for Beijing to avoid a classic ‘Thucydides Trap’ between rising and established powers and advance its key foreign policy objectives. First, the BRI is strategically and tactically used by Beijing as a vehicle of soft balancing to frustrate the US containment and encirclement of China, and undermine its dominance in Eurasia and beyond, as regional multilateral cooperation allows Beijing to establish asymmetric interdependence over other Eurasian partners, to reassure those partners of the peaceful and benign nature of its rising power and to deter the formation of any anti-China coalition or ‘all but China’ club. Second, China’s intends to promote alternative ideas and norms and build its role as a normative power through the BRI, fostering the legitimacy of its rising power and illegitimizing the US normative authority and legitimacy in the international system. Third, China seeks to form a bargaining coalition through the BRI and AIIB, reshape global governance, and transform the existing international system in a way that reflects its values, interests, and status. Overall, the BRI serves as a decisive strategic maneuver for China to ensure security and promote power status in the international order, moving from a rule-taker to rule-maker.

Although the BRI has great significance for advancing Beijing’s role in the international arena, this ambitious initiative faces potential challenges including geopolitical rivalry, security threats, territorial disputes, and political risks. First, the geopolitical rivalry arising from China’s expansion poses a potential challenge to the BRI. As the BRI will boost Beijing’s geopolitical influence and reshape the geopolitical balance in Eurasia, it will trigger a geopolitical competition between China and regional powers. For example, India’s negative position towards the CPEC and its boycott of the Belt and Road Forum for International Cooperation undermines Beijing’s efforts to promote interconnectivity and regional multilateral cooperation across the continent.⁴²⁴ Second, potential security threats might impair regional

424. Ministry of External Affairs, ‘Official Spokesperson’s Response to a Query on Participation of India in OBOR/BRI Forum,’ *Ministry of External Affairs of the Government of India*, 13 May 2017,

connectivity and cooperation in the Eurasian space as the BRI covers unstable regions such as the Middle East and Central Asia that lie at the core region of the land Silk Road. Third, territorial disputes, especially in the South China Sea, could undermine Beijing's attempts to promote regional multilateral cooperation within the BRI.⁴²⁵ While the South China Sea is at the core of Maritime Silk Road, overlapping sovereignty claims over the disputed islands and waters might pose a great obstacle to regional multilateral cooperation between China and other Asian countries. Fourth, political turbulences in the conflicted and failed states along the BRI bring political risks and uncertainty to the implementation of the BRI projects.

The evidence derived from the three case studies suggests that regional multilateralism, enhancing a nexus of economics, politics and security⁴²⁶, offers a way to reshape the international relations inside and outside the institutions and the balance of power regionally and globally. As regional multilateralism involves a dynamic interaction of domestic and international forces with a combination of economic, political and strategic dimensions, the rising role of regional multilateralism in Chinese foreign policy is strongly driven by an evolving grand strategy for the rise of China. In particular, the four dimensions, including maximizing material power, pacifying the periphery, securing core interests, and promoting international status, significantly shaped China's foreign policy behavior in growingly engaging in regional multilateral cooperation in East Asia, Central Asia and the Eurasian landmass. Regional multilateral cooperation offers a viable mechanism for Beijing not merely to increase access to regional markets and ensure a peaceful international environment, but also institutionalize its periphery strategy and advance its geo-economic, geopolitical and geostrategic interests in a regional and global context. Furthermore, regional multilateral cooperation and institutions serve as a vital instrument for Beijing to manage its complicated relations with Washington and other major powers and confront with emerging security and geopolitical challenges that arise from the changing balance of global power and the transformation of the international system. Finally, regional multilateral regimes provide an alternative path for China as a non-western power to construct the political identity and normative

http://www.mea.gov.in/media-briefings.htm?dtl/28463/Official_Spokespersons_response_to_a_query_on_participation_of_India_in_OBORBRI_Forum.

425. William A. Callahan, 'China's "Asia Dream": The Belt Road Initiative and the New Regional Order,' *Asian Journal of Comparative Politics* 1(3), (2016): 226-243.

426. Avery Goldstein and Edward D. Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (Stanford, California: Stanford University Press, 2012).

legitimacy of its rising power, transform the US-dominated global order and system and promote its great power status towards a peaceful rise.

The limited role of regional multilateralism

As China's rising economic and military power is eroding American predominance, many scholars have predicted that China as a dissatisfied revisionist power will overthrow the existing international system. Through the prism of 'offensive realism', John Mearsheimer pointed out that China's rise will be the most dangerous challenge to the US in the early 21st century and Washington must do what it can to reverse or slow the rise of China.⁴²⁷ The intensifying Sino-US strategic rivalry will inevitably lead to a hegemonic war coming from a classic 'Thucydides Trap' and China's rise cannot be peaceful. However, such a prediction has ignored some facts. First, as the nuclear balance of power remains the cornerstone of strategic nuclear deterrence,⁴²⁸ it will deter any war between two nuclear powers. China remains the world's third largest nuclear power behind the US and Russia with a three-branched nuclear capability, including strategic bombers, land-based intercontinental ballistic missiles, and submarine-launched ballistic missiles, it enables Beijing to counterbalance the US nuclear primacy with mutually assured destruction.⁴²⁹ Moreover, the modernization of the PLA largely strengthened China's conventional military deterrence capabilities that can offset US military predominance

427. John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001); Adam P. Liff and G. John Ikenberry, 'Racing toward Tragedy?: China's Rise, Military Competition in the Asia Pacific, and the Security Dilemma,' *International Security* 39, no. 2 (2014): 52-91.

428 . See Robert Powell, 'The Theoretical Foundations of Strategic Nuclear Deterrence,' *Political Science Quarterly* 100, no. 1 (1985): 75-96; Robert Powell, *Nuclear Deterrence Theory: The Search for Credibility* (Cambridge: Cambridge University Press, 1990).

429. M. Taylor Fravel and Evan S. Medeiros, 'China's Search for Assured Retaliation: The Evolution of Chinese Nuclear Strategy and Force Structure,' *International Security* 35, no. 2 (2010): 48-87; Thomas J. Christensen, 'The Meaning of the Nuclear Evolution: China's Strategic Modernization and US-China Security Relations,' *Journal of Strategic Studies* 35, no. 4 (2012): 447-487.

in the Western Pacific.⁴³⁰ Thus, it is also too dangerous for Washington to fight a direct war with Beijing despite the US global military primacy. During the Cold War, the US-Soviet global competition had not eventually lead to a hegemonic war as both superpowers possessed enough nuclear weapons with the clear capability of mutually assured destruction. This also applies to the Sino-US strategic competition in which neither Beijing or Washington has willingness and resolve to head for a nuclear war because no side can win and no side can survive.

Second, as the wave of globalization after the end of Cold War has significantly enhanced economic interdependence of countries and delivered persistent prosperity and peace to the world, such a complex interdependence will deter any war between two global economic superpowers. In the past decades, the economic ties between Beijing and Washington have become increasingly interdependent and shape current Sino-US relation.⁴³¹ Common interests derived from economic interdependence serve to deter both Beijing and Washington to move towards a dangerous and costly war.⁴³² The US and China remain the largest trading partners each other. For Washington, China is not simply one of the largest destination of the US's FDI but also one of the largest export markets of American agricultural and industrial products that has strongly promoted its economic growth and prosperity in the post-Cold War era. For Beijing, the US is one of the largest export markets of Chinese products that has significance for maintaining its stable economic growth and speeding up its modernization process. According to a report

430. For example, see Ronald O'Rourke, *China Naval Modernization: Implications for US Navy Capabilities- Background and Issues for Congress* (Darby, PA: Diane Publishing, 2010); Toshi Yoshihara and James R. Holmes, *Red Star over the Pacific: China's Rise and the Challenge to US Maritime Strategy* (Annapolis, MD: Naval Institute Press, 2010); Evan Braden Montgomery, 'Contested Primacy in the Western Pacific: China's Rise and the Future of US Power Projection,' *International Security* 38, no. 4 (2014): 115-149.

431. Henry M. Paulson Jr., 'A Strategic Economic Engagement: Strengthening US-Chinese Ties,' *Foreign Affairs* 87, no. 5 (2008): 59-77.

432. See Dale C. Copeland, Economic Interdependence and the Future of US-Chinese Relations, in G. John Ikenberry and Michael Mastanduno, eds., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 323-52; David M. Lampton, *Same Bed, Different Dreams: Managing US-China Relations, 1989-2000* (Berkley, CA: University of California Press, 2001).

released by US Department of Treasury,⁴³³ China owned \$ 1.2 trillion of the US debt until December 2017 and remained the largest holder of the US treasury securities. China also has one of the largest foreign exchange reserves that allows China to exert great influence over the US dollar's value and the global financial markets. When such a close economic interdependence implies mutually assured economic destruction,⁴³⁴ neither Washington nor Beijing can bear the brunt of any costs and risks of loss arising from any form of military conflict between the two economic superpowers.

Third, China has neither ability nor intention to overthrow the existing international order, since Beijing is one of its largest beneficiaries. Instead, Beijing is striving to consolidate the existing global system towards a more inclusive and fairer international order. The BRI offers a good example of how China tries to reinforce the existing global order and system rather than overthrow it. When Trump is moving to dismantle globalization and retreat from the current global trading system under the doctrine of 'American First', Washington is destroying the ruled-based international order established by itself,⁴³⁵ whilst the BRI provides a new version of globalization to strengthen international cooperation in Eurasia and globally, boost global economic growth and prosperity and create a more inclusive international economic order. In May 2017, Beijing successfully hosted the Belt and Road Forum for International Cooperation and a joint communique of the leaders was formally issued, it puts: "We reaffirm our shared commitment to build open economy, ensure free and inclusive trade, oppose all forms of protectionism including in the framework of the Belt and Road Initiative. We endeavor to promote a universal, rules-based, open,

433. Department of Treasury, 'Major Foreign Holders of Treasury Securities,' *US Department of Treasury and Federal Reserve Board*, December 2017, <http://ticdata.treasury.gov/Publish/mfh.txt>.

434. Dale C. Copeland, *Economic Interdependence and War* (Princeton: Princeton University Press, 2014); Erik Gartzke, Quan Li, Charles Boehmer, 'Investing in the Peace: Economic Interdependence and International Conflict,' *International Organization* 55, no. 2 (2001): 391-438.

435. See John Peterson, 'Present at the Destruction? The Liberal Order in the Trump Era,' *International Spectator* 53, no. 1 (2018): 28-44; Priya Chacko and Kanishka Jayasuriya, 'Trump, the Authoritarian Populist Revolt and the Future of the Rules-Based Order in Asia,' *Australian Journal of International Affairs* 71, no. 2 (2017): 121-27.

non-discriminatory and equitable multilateral trading system with WTO at its core”.⁴³⁶ Beijing’s endeavor to promote the inclusive globalization through the BRI will fortify the rule-based global trading system that is at the crossroads. Accordingly, China is neither a pure status quo power trying to preserve the unipolar system nor a revisionist power attempting to reset the existing international system or create a new system,⁴³⁷ rather a reform-minded status quo power aspiring to create a more inclusive and fairer international order and boost its global role from rule-taker to rule-maker.

Kenneth Waltz argues that “The structure of power in the international system determines the role of institutions. NATO’s continued existence conveniently illustrates how international institutions are created and maintained by stronger states (e.g. the US) to serve their perceived and misperceived interests.”⁴³⁸ Indeed, the global multilateral institutions such as the UN, the World Bank, the IMF, and the WTO established and dominated by the US played a crucial role in consolidating its global domination and sustaining its unipolar moment.⁴³⁹ In the past decades, China has expanded its regional multilateral ties from East Asia to Central Asia and the Eurasian continent, since regional multilateralism provides a new paradigm for China as a rising power not only to confront emerging security and geopolitical dilemmas,

436. The Secretariat of the BRF, ‘Joint Communiqué of the Leaders Roundtable of the Belt and Road Forum for International Cooperation,’ *The Belt and Road Forum for International Cooperation*, 16 May 2017,

<http://beltandroadforum.org/english/n100/2017/0516/c22-423.html>.

437. See G. John. Ikenberry, ‘The Rise of China and the Future of the West: Can the Liberal System Survive?,’ *Foreign Affairs* 87, no. 1 (2008): 23-37; William A. Callahan, ‘Chinese Visions of World Order: Post-hegemonic or a New Hegemony?,’ *International Studies Review* 10, no. 4 (2008): 749–761; Alastair Iain Johnston, ‘Is China a Status Quo Power?,’ *International Security* 27, no. 4 (2003): 5-56; Walter Russell Mead, ‘The Return of Geopolitics: The Revenge of the Revisionist Powers,’ *Foreign Affairs* 93, no. 3 (2014): 69-79; Jeffrey W. Legro, ‘What China Will Want: The Future Intentions of a Rising Power,’ *Perspectives on Politics* 5, no. 3 (2007): 515-534; Huiyun Feng, ‘Is China a Revisionist Power?,’ *The Chinese Journal of International Politics* 2, no. 3 (2008): 313-34.

438. Kenneth Waltz, ‘Structural Realism after the Cold War,’ *International Security* 25, no. 1 (2000): 5–41.

439. See Friedrich Kratochwil and John Gerard Ruggie, ‘International Organization: A State of the Art on an Art of the State,’ *International Organization* 40, no. 4 (1986): 753-775; G. John Ikenberry, ‘Rethinking the Origins of American Hegemony,’ *Political Science Quarterly* 104, no. 3 (1989): 375-400.

but also to build its power and influence in the age of American primacy. More importantly, as the nuclear balance of power and the economic interdependence has considerably limited the use of military force in contemporary international politics, international regimes and institutions that help construct political identity and normative authority of power not only offer a more feasible instrument to contest for power, influence, and global leadership between great powers, but also provide a peaceful way to realize a power transition between a rising power and a declining power through the normative and institutional transformation. This enables Beijing to transform the existing global system without falling into a classic ‘Thucydides Trap’ and causing a hegemonic war.

While many scholars predict a hegemonic war between Beijing and Washington and China’s ‘unpeaceful rise’, this thesis challenges this viewpoint by contending that regional multilateralism presents an alternative path for Beijing to achieve a peaceful rise. The evolving role of China in the international arena has reflected the importance of regimes and institutions in constructing its political identity and legitimizing its power status. Since the PRC replaced the ROC to recover its seat at the UN Security Council in 1971 and launched its economic reforms in 1978,⁴⁴⁰ Beijing has demonstrated an impressive capacity to learn and adapt to global rules and norms, socialize in and integrate into the liberal international order through the embrace of the US-established global multilateral institutions such as the UN, the WTO, the IMF and the World Bank. Nevertheless, with its rise to a regional and global power, Beijing has sought to enhance the political legitimacy of its power status through normative and institutional transformation. China’s proactive engagement in regional multilateral cooperation and institutions since the end of Cold War is part of its persistent efforts to ‘reconstruct’ the identity and legitimacy of its great power status in the existing international system. Establishing multilateral cooperation within a set of institutions helps Beijing not only to build its soft and normative power and enhance the political legitimacy of its rising power through the promotion of alternative ideas and norms, but also transform the US-dominated global system and reinforce its global leadership role in the new world order through the establishment of new international rules and institutions, rather than through the initiation of force, coercion, or violence.

440. Michael Yahuda, *Towards the End of Isolationism: China’s Foreign Policy after Mao* (London: Macmillan Education UK, 1983).

As international regimes and institutions not only embody the status hierarchy but also construct the normative authority of power in the international system,⁴⁴¹ regional multilateralism provides a new paradigm for Beijing to transform the existing global system, promote its great power status, and achieve a peaceful rise. When the relative decline of US global power and the rise of new powers continue, the world order is saluting the coming of the post-American era. In particular, when Trump wants to make America great again and quit from a set of global multilateral agreements such as the TPP, the UNESCO, the WTO, and the Paris Climate Agreement, Washington is breaking the values, rules and norms of the 'Washington Consensus' underpinning the neoliberal international order. Therefore, these actions significantly undermine the normative authority and legitimacy of US's global leadership in the existing international system. Meanwhile, Beijing is not only assuming a more prominent global leadership role in establishing and promoting regional and global multilateral cooperation within the BRI, the AIIB, the BRICS, the WTO, the G-20, the UN, but also is shouldering global responsibility to promote common development and prosperity and reshape the global governance system towards a more inclusive, equitable and rule-based international order. Not only will this will greatly strengthen the normative legitimacy of China's global leadership in an emerging world order, but it will also promote a profound transformation of the global system and eventually bring the American unipolar moment to an end.

However, regional multilateralism has a limited role in reshaping the international relations inside and outside the institutions and advancing China's key foreign policy goals in three aspects. First, geopolitical competition between China and other major powers will limit regional multilateral cooperation and constrain China's expanding influence in a regional and global context. When the institutionalization of regional multilateral cooperation allows Beijing to expand its influence and outreach from East Asia and Central Asia to the Eurasian space, it reshapes the geopolitical balance and triggers a geopolitical competition between China and regional powers that constrain the role of regional multilateral institutions. The BRI offers a good example of how it serves as a geo-economic agenda to bolster Beijing's economic and political influence across Eurasia and has resulted in a geopolitical competition between China and other regional powers, such as India. Despite the huge economic benefits of the BRI, India views the BRI as a geopolitical maneuver to expand Beijing's influence in South Asia and the Indian Ocean at its

441. Deborah Welch Larson and Alexei Shevchenko, 'Status Seekers: Chinese and Russian Responses to US Primacy,' *International Security* 34, no. 4 (2010): 63-95.

expense that has resulted in an intensifying geopolitical competition and Delhi's boycott of the BRI Forum for International Cooperation. For instance, China's heavy investment in ports along the Indian Ocean and the Bay of Bengal and its expanding presence are perceived as a threat to India's regional dominance. Those ports facilitating the naval presence of the PLAN are considered a part of the String of Pearls strategy to encircle India and constrain its ability to project power in the region. Thus, India has tried to resist the BRI and Beijing's expansion through boycott, balancing and marginalization.

Similarly, Beijing's expanding influence in the former Soviet region has triggered the Sino-Russian competition, weakening the Sino-Russian strategic alliance to some extent and limiting the role of the SCO in promoting regional cooperation in Central Asia. Also in Europe, China's huge investments in the former communist states within the BRI and multilateral cooperation with Central and Eastern European (CEE) countries within 16+1 mechanism have caused growing concerns of the EU about Beijing's ambition in the Balkans and Mediterranean, since Brussels sees the BRI a geopolitical and diplomatic offensive to divide the EU, weaken its position vis-à-vis China, and undermine its dominance over the neighborhood.⁴⁴² In June 2017, Greece unexpectedly vetoed a EU statement condemning China's human rights record at the United Nations Human Rights Council that was the first time for the EU failed to criticize Beijing on this occasion.⁴⁴³ Because Greece has become increasingly reliant on Chinese investment after the EU-debt crisis and is keen to play a key role in the BRI, it is reluctant to annoy Beijing. China's expanding role in Europe resulted in a subtle shift of the EU's attitude towards the BRI, turning from a strong supporter into a sceptic. More recently, at the 2018 Munich Security Conference, German Foreign Minister Gabriel accused China of "constantly trying to test and undermine the unity of the European Union and seeking to influence individual states with sticks and carrots" in his criticism on the BRI.⁴⁴⁴ This reflected the EU's growing concerns about China's geopolitical offensive.

442. François Godement, 'Europe Scrambles to Benefit from China's 21st-Century Silk Road,' *Global Asia* 10, no. 3 (2015): 34-38.

443. Robin Emmott and Angeliki Koutantou, 'Greece Blocks EU Statement on China Human Rights at UN,' *The Reuters*, 18 June 2017, <https://uk.reuters.com/article/uk-eu-un-rights-idUKKBN1990G0>.

444. Nick Miller, 'China Undermining us 'with Sticks and Carrots': Outgoing German Minister,' *The Sydney Morning Herald*, 19 February 2018,

Second, the territorial disputes among the states inside institutions will largely limit regional multilateral cooperation and constrain Beijing's attempt to achieve its foreign policy goals. In Asia, China has territorial disputes with Japan in the East China Sea, with Vietnam and the Philippines in the South China Sea, with India and Bhutan in the Himalayan borders. As the territorial issue not only involves the state sovereignty but also national security, it would not be easy neither for Beijing nor for other claimants to make concessions in the territorial disputes because of domestic nationalism and political legitimacy. The mutual distrust and tension stemming from the territorial disputes between China and those states have considerably impeded the ongoing process of regional multilateral cooperation. Given China's growing economic and military capabilities, its assertive actions in the territorial disputes will not merely fuel the perceptions of China threats but also legitimize the US's military presence in Asia. The South China Sea disputes between China, Vietnam and the Philippines have provided a good example on this point. When Beijing sought to enhance its territorial and maritime claims by expanding its civil and military presence in the South China Sea, it led Vietnam and the Philippines to forge a stronger security tie with Washington in order to counter Beijing's assertiveness in the disputed islands and waters. Even if the South China Sea issue has cooled after Duterte took power in 2016, Manila has neither abandoned its sovereignty claim nor has renounced its defense cooperation agreement with the US. That would potentially influence the future Sino-Philippine relations and regional multilateral cooperation within the APT and BRI.

Along the same lines, the territorial disputes between Pakistan and India, and between China and India have significantly affected the establishment of the China-Pakistan Economic Corridor and the Bangladesh-China-India-Myanmar Economic Corridor within the BRI. The China-Pakistan Economic Corridor (CPEC) connecting Xinjiang and Gwadar port with various infrastructure projects and special economic zones and passing through the disputed Kashmir region has caused serious concerns in India. In particular, the CPEC is located at a strategic nexus between South Asia and Central Asia and is thus perceived as a great challenge to India's sovereignty claims over Kashmir and its 'Connect Central Asia' initiative, even if Beijing repeatedly assured India of its neutral position in the Kashmir issue. A day ahead of the Belt and Road Forum in Beijing, External Affairs Ministry spokesperson

<http://www.smh.com.au/world/china-undermining-us-with-sticks-and-carrots-outgoing-german-minister-20180218-p4z0s6>.

Gopal Baglay said: “No country can accept a project (CPEC) that ignores its core concerns on sovereignty and territorial integrity.”⁴⁴⁵ Furthermore, China’s territorial disputes with India along the Himalayan Mountains is also a major reason for India to have adopted a negative attitude towards the proposed China-Nepal-India Economic Corridor and Bangladesh-China-India-Myanmar Economic Corridor. Because India perceives that those corridors would pose a threat to its sovereignty and security. For example, in 2017, the Doklam standoff between Indian armed force and the PLA in the disputed border area of China, Bhutan and India escalated to a dangerous level.

Third, the balance of power will limit the role of regional multilateralism in international relations and undermine China’s attempt to build its dominant power and influence through establishing, utilizing and dominating regional multilateral cooperation and institutions. The balance of power theory in international relations assumes that national security can be strengthened when the military capability is distributed and dispersed in an anarchic system so that no state is strong enough to dominate all others.⁴⁴⁶ If a state becomes much stronger than others, it will take advantage of its might and attack or dominate weaker states. This provides a strong incentive for those weaker states to form a defensive coalition in order to shape a new balance of power against stronger state for security and survival. This specially applies to new power dynamics between the US, China and other regional actors. When China’s mounting economic and military might enable it to coerce other Asian states to concede to its strategic interests via economic and military means, those Asian states has strong motive to form a balancing coalition against China by either allying with Washington or establishing a new anti-China coalition. For example, since the BRI will greatly enhance China’s power and influence in South Asia and the Indian Ocean, Indian foreign policy has shifted from non-alignment to alignment with Washington and Tokyo to contain Beijing’s expansion on land and sea. More recently, US, Japan, Australia, India have recovered the Quadrilateral Security Dialogue that

445. Jayanth Jacob, ‘Can’t Accept Project that Ignores Core Concerns: India on China’s Belt and Road Forum,’ *The Hindustan Times*, 16 May 2017,

<https://www.hindustantimes.com/india-news/can-t-accept-project-that-ignores-core-concerns-india-on-china-s-belt-and-road-forum/story-TbCYp92USqYDuSEDKpyhHJ.html>.

446. Sir Esme Howard, ‘British Policy and the Balance of Power,’ *The American Political Science Review* 19, no. 2 (1925): 261; Charles W. Kegley and Eugene R. Wittkopf, *World Politics: Trends and Transformation* (10th ed.) (Belmont, CA: Wadsworth Publishing Co., 2005), p. 503.

was established in 2007 to counter China's expanding role in the Indo-Pacific region.⁴⁴⁷

When China pursues a soft balancing strategy against the US by establishing asymmetric interdependence over other regional actors within the institutions, those Asian states are also motivated to establish new regional multilateral regimes to hedge against China's growing prominence, preserving sovereignty and autonomy and avoiding to be dominated by any single power. In East Asia, when Beijing sought to build its dominant influence through the promotion of regional multilateral cooperation within the APT, most ASEAN countries and Japan included India, Australia, and New Zealand as founding members of the East Asia Summit in 2005 in order to offset Beijing's rising role. In Central Asia, when Beijing considerably expanded its influence through regional multilateral cooperation within the SCO, Russia and other Central Asian countries then founded the Eurasian Economic Union in order to reduce their overdependence on Beijing economically and politically. In the Eurasian continent, when Beijing sought to rebuild the ancient Silk Road, India and Japan initiated the Asia-African Growth Corridor jointly to promote multilateral cooperation between South Asia, Southeast Asia, West Asia and Africa, countering Beijing's growing power and influence. Japan also devised a Free and Open Indo-Pacific Strategy that was rapidly backed by the US and India. All the evidence shows that Beijing's attempts to reshape the international relations inside and outside the institutions have its limits as weaker states always seek to maintain the equilibrium of power for security and survival. This not just allows Beijing to delay, frustrate and undermine Washington's dominance through initiating, promoting and institutionalizing regional multilateral cooperation, but also enables other regional actors to counterbalance Beijing's rising power and influence through establishing new regional multilateral mechanism.

Since the World War II, international regimes and institutions have been used by stronger states as a means to consolidate their power and influence and shape the existing power structure of international system. While the globalization process shifted the balance of global power, regional multilateralism has emerged a new paradigm in the international relations. As regional multilateral regimes provide a

447. Shyam Saran, 'The Quadrilateral: Is it an Alliance or an Alignment?' *The Hindustan Times*, 25 November 2017,

<https://www.hindustantimes.com/analysis/the-quadrilateral-is-it-an-alliance-or-an-alignment/story-16CvgQjKHwaayoQjaOl2kM.html>.

rule- and norm-based mechanism to reduce costs, form preferences, monitor process, facilitate problem-solution, and achieve common goals, establishing, promoting and institutionalizing regional multilateral cooperation allows stronger states to translate its material power into political influence, construct its political identity and legitimacy of power, and promote its power status in the international order. Having examined the role of regional multilateralism in international relations and explored the logic of China's engagement in regional multilateral cooperation, the three cases studies have provided evidence that regional multilateralism has been a new paradigm for Chinese foreign policy as it offers a new approach to reshape the international relations inside and outside the institutions and the geopolitical balance at regional and global levels for ensuring security, building influence, promoting great power status. More importantly, regional multilateral regimes and institutions provides a peaceful way for rising power like China to compete for power, influence and global leadership, transforming the existing global system and achieving a peaceful rise. However, the geopolitical competition, the territorial disputes, and the balance of power has limited the role of regional multilateralism in international relations.

BIBLIOGRAPHY

- Aaron Jed Rabena, 'Is the "Indo-Pacific" Construct Trump's Pivot to Asia Policy?,' *Center for Strategic and International Studies*, 16 February 2018, <https://www.csis.org/analysis/pacnet-13-indo-pacific-construct-trumps-pivot-asia-policy>.
- Aaron L. Friedberg, 'The Future of U.S.-China Relations: Is Conflict Inevitable?,' *International Security* 30, no. 2 (2005): 7-45.
- Adam P. Liff and G. John Ikenberry, 'Racing toward Tragedy?: China's Rise, Military Competition in the Asia Pacific, and the Security Dilemma,' *International Security* 39, no. 2 (2014): 52-91.
- Alastair I. Johnston and Paul Evans, 'China's Engagement with Multilateral Security Institutions,' in Alastair I. Johnston and Robert S. Ross, eds., *Engage China: The Management of Emerging power* (London: Routledge, 1999): 235-72.
- Alastair Iain Johnston, 'How New and Assertive is China's New Assertiveness?,' *International Security* 37, no. 4 (2013): 7-48.
- Alastair Iain Johnston, 'Is China a Status Quo Power?,' *International Security* 27, no. 4 (2003): 5-56.
- Alexander Wendt, 'Anarchy is what States Make of it: The Social Construction of Power Politics,' *International Organization* 46, no. 2 (1992): 391-425.
- Alice D. Ba, 'China and ASEAN: Renavigating Relations for a 21st-century Asia,' *Asian Survey* 43, no. 4 (2003): 622-647.
- Allen S. Whiting, 'ASEAN Eyes China: The Security Dimension,' *Asian Survey* 37, no. 4 (1997): 299-322.
- Alyssa J. Rubin, 'NATO Chief Promises to Stand by Afghanistan,' *New York Times*, 22 December 2009, <https://www.nytimes.com/2009/12/23/world/asia/23afghan.html>.
- Amitav Acharya, 'How Ideas Spread: Whose Norms Matter? Norm Localization and Institutional Change in Asian Regionalism,' *International Organization* 58, no. 2 (2004): 239-275.
- Amitav Acharya, 'Ideas, Identity, and Institution-building: from the 'ASEAN Way' to the 'Asia-Pacific Way?,' *The Pacific Review* 10, no. 3 (1997): 319-346.
- Amitav Acharya, 'Regional Institutions and Asian Security Order: Norms, Power, and Prospects for Peaceful Change,' in Muthiah Alagappa, *Asian Security Order:*

- Instrumental and Normative Features* (Stanford: Stanford University Press, 2003), pp. 211-236.
- Amitav Acharya, *The End of American World Order* (New York: John Wiley & Sons, 2018).
- Amitav Acharya and Evelyn Goh, *Reassessing Security Cooperation in the Asia-Pacific: Competition, Congruence, and Transformation* (Cambridge, MA: The MIT Press, 2007).
- Amresh Chandra, 'Strategic Triangle among Russia, China and India: Challenges and Prospects,' *Journal of Peace Studies* 17, no. 2/3 (2010): 40-60.
- An Gang, 'The Core of the Issue: China's Declaration of its Key Interests Misinterpreted by Many,' *Beijing Review*, 26 August 2013, http://www.bjreview.com.cn/print/txt/2013-08/26/content_562998.htm.
- An Lu, 'China Welcomes SCO Expansion, Calls for Upholding 'Shanghai Spirit',' *Xinhua News Agency*, 11 July 2015, http://news.xinhuanet.com/english/2015-07/11/c_134402081.htm.
- Andrei Tsygankov, 'Russia's Power and Alliances in the 21st Century,' *Politics* 30, (2010): 43-44.
- Andrew B. Kennedy, 'China's Perceptions of U.S. Intentions toward Taiwan: How Hostile a Hegemon?,' *Asian Survey* 47, no. 2 (2007): 268-287.
- Andrew F. Cooper, 'The G20 and Contested Global Governance: BRICS, Middle Powers and Small States,' *Caribbean Journal of International Relations and Diplomacy* 2, no. 3 (2014): 87-109.
- Andrew Hurrell, 'Hegemony, Liberalism, and Global Order: What Space for Would-be Great Powers?,' *International Affairs* 82, no. 1 (2006): 1-19.
- Andrew J. Nathan and Andrew Scobell, *China's Search for Security* (New York: Columbia University Press, 2015).
- Ann Kent, *Beyond Compliance: China, International Organizations, and Global Security* (Stanford, CA: Stanford University Press, 2007).
- Annette Bohr, 'Regionalism in Central Asia: New Geopolitics, Old Regional Order' *International Affairs* 80, no. 3 (2004): 485-502.
- Anthony H. Cordesman, 'Chinese Strategy and Military Modernization in 2016: A Comparative Analysis,' (Washington: Center for Strategic International Studies, 2016), https://csis-prod.s3.amazonaws.com/s3fs-public/publication/161208_Chinese_Strategy_Military_Modernization_2016.pdf.
- Ariel Cohen, *The Dragon Looks West: China and the Shanghai Cooperation Organization* (Washington D.C.: Heritage Foundation, 2006).

- ASEAN Secretariat, 'Towards East Asian Community: Region of Peace, Prosperity and Progress,' East Asian Vision Group (EAVG) Report, *ASEAN Secretariat*, 31 October 2001, www.aseansec.org/pdf/east_asia_vision.pdf.
- Ashley J. Tellis and Travis Tanner, *Strategic Asia 2012–13: China's Military Modernization* (Seattle, WA: National Bureau of Asian Research, 2013).
- Ashley J. Tellis, 'China's Grand Strategy: The Quest for Comprehensive National Power and Its Consequences,' in Gary Schmitt, ed., *The Rise of China: Essays on the Future Competition* (New York: Encounter Books, 2009).
- Ashley J. Tellis, 'Protecting American Primacy in the Indo-Pacific,' *Carnegie Endowment for International Peace*, 25 April 2017, <http://carnegieendowment.org/2017/04/25/protecting-american-primacy-in-indo-pacific-pub-68754>.
- Ashley J. Tellis, 'The Geopolitics of the TTIP and the TPP,' *Adelphi Series* 54, no. 450 (2014): 93-120.
- Audie Klotz and Cecelia M. Lynch, *Strategies for Research in Constructivist International Relations* (New York: M.E. Sharpe, 2007).
- Avery Goldstein and Edward D. Mansfield, *The Nexus of Economics, Security, and International Relations in East Asia* (Stanford, California: Stanford University Press, 2012).
- Avery Goldstein, 'The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice,' *The China Quarterly* 168, (2001): 835-864.
- Avery Goldstein, *Rising to the Challenge: China's Grand Strategy and International Security* (Palo Alto, CA: Stanford University Press, 2005).
- Azar Gat, 'The Return of Authoritarian Great Powers,' *Foreign Affairs* 86, (2007): 59-69.
- Bagila Bukharbayeva, 'Uzbekistan Base Teeming with Troops,' *Associated Press*, 28 May 2002.
- Baijie An, 'Xi Tells Obama He Wants to Expand US Ties,' *China Daily*, 1 December 2017, http://www.chinadaily.com.cn/china/2017-12/01/content_35147800.htm.
- Baogang He, 'East Asian Ideas of Regionalism: A Normative Critique,' *Australian Journal of International Affairs* 58, no.1 (2004): 105-125.
- Barbara Koremenos, Charles Lipson, and Duncan Snidal, 'The Rational Design of International Institutions,' *International Organization* 55, no. 4 (2001): 761–799.
- Barry Buzan, 'China in International Society: Is 'Peaceful Rise' Possible?,' *The Chinese Journal of International Politics* 3, no. 1 (2010): 5-36.

- Barry Buzan and George Lawson, 'Capitalism and the Emergent World Order,' *International Affairs* 90, no. 1 (2014): 71-91.
- Barthélémy Courmont, 'Promoting Multilateralism or Searching for a New Hegemony: A Chinese Vision of Multipolarity,' *Pacific Focus* 27, no. 2 (2012): 184-204.
- Bas Hooijmaaijers and Stephan Keukeleire, 'The BRICS and Other Emerging Power Alliances and Multilateral Organizations in the Asia-Pacific and the Global South: Challenges for the European Union and its View on Multilateralism,' *JCMS: Journal of Common Market Studies* 52, no. 3 (2014): 582-599.
- Bates Gill and Michael Green, Unbundling Asia's New Multilateralism, in Michael J. Green and Bates Gil, *Asia's New Multilateralism: Cooperation, Competition, and the Search for Community* (New York: Columbia University Press, 2009), p. 3.
- Bibek Chand, 'China's Engagement with its Periphery,' *Journal of Asian Security and International Affairs* 4, no. 2 (2017): 239-248.
- Bijian Zheng, 'China's 'Peaceful Rise' to Great-power Status,' *Foreign Affairs* 84, no. 5 (2005): 18-24.
- Bin Yu, 'In Search for a Normal Relationship: China and Russia into the 21st Century,' *China and Eurasia Forum Quarterly* 5, no. 4 (2007): 47-81.
- Björn Hettne, Globalization and the New Regionalism: The Second Great Transformation, *Globalism and the New Regionalism* (London: Palgrave Macmillan, 1999), pp. 1-24.
- Bobo Lo, 'The Long Sunset of Strategic Partnership: Russia's Evolving China Policy,' *International Affairs* 80, no. 2 (2004): 295-309.
- Bobo Lo, *Axis of Convenience: Moscow, Beijing, and the New Geopolitics* (Washington, DC: Brookings Institution Press, 2008).
- C. Fred Bergsten, *China's Rise: Challenges and Opportunities* (Washington, DC: Peterson Institute, 2008).
- Carla P. Freeman, 'New Strategies for an Old Rivalry? China-Russia Relations in Central Asia after the Energy Boom,' *The Pacific Review* (2017): 1-20.
- Caroline Bouchard and John Peterson, 'Multilateralism: Dead or Alive?,' *Mercury E-paper*, March 2010, http://www.citsee.ed.ac.uk/__data/assets/pdf_file/0007/39526/Conceptualising_Multilateralism_dead_alive.pdf.
- Chaka Ferguson, 'The Strategic Use of Soft Balancing: The Normative Dimensions of the Chinese-Russian 'Strategic Partnership',' *Journal of Strategic Studies* 35, no. 2 (2012): 197-222.

- Chao Xi, 'From Rule-Taker to Rule-Maker: China and International Banking Regulation' in Friedl Weiss and Kammel Armin, eds., *The Changing Landscape of Global Financial Governance and the Role of Soft Law* (Leiden: Brill, 2015), pp. 312-336.
- Charles E. Ziegler, 'The Energy Factor in China's Foreign Policy,' *Journal of Chinese Political Science* 11, no. 1 (2006): 1-23.
- Charles Glaser, 'Will China's Rise Lead to War? Why Realism does not Mean Pessimism,' *Foreign Affairs* 90, no. 2 (2011): 80-91.
- Charles Kegley and Eugene Wittkopf, *World Politics: Trend and Transformation* (New York: St. Martin's Press, 1997).
- Charles W. Kegley and Eugene R. Wittkopf, *World Politics: Trends and Transformation* (10th ed.) (Belmont, CA: Wadsworth Publishing Co., 2005), p. 503.
- Cheng-Chwee Kuik, 'The Essence of Hedging: Malaysia and Singapore's Response to a Rising China,' *Contemporary Southeast Asia: A Journal of International & Strategic Affairs* 30, no. 2 (2008): 159-185.
- Cheng-Chwee Kuik, 'Multilateralism in China's ASEAN Policy: its Evolution, Characteristics, and Aspiration,' *Contemporary Southeast Asia* 27, no. 1 (2005): 102-122.
- China Daily, 'China Should Adapt to New Norm of Growth: Xi,' *China Daily*, 11 May 2014, http://www.chinadaily.com.cn/china/2014-05/11/content_17498743.htm.
- Chien-Peng Chung, 'China and the Institutionalization of the Shanghai Cooperation Organization,' *Problems of Post-Communism* 53, no. 5 (2006): 3-14.
- Chien-Peng Chung, 'China's Approaches to the Institutionalization of Regional Multilateralism,' *Journal of Contemporary China* 17, no. 57 (2008): 747-764.
- Chien-Peng Chung, 'The 'Good Neighbour Policy' in the Context of China's Foreign Relations,' *China: An International Journal* 7, no. 1 (2009): 107-123.
- Chien-peng Chung, 'The Shanghai Co-operation Organization: China's Changing Influence in Central Asia,' *The China Quarterly* 180, (2004): 989-1009.
- Chin-Hao Huang, 'China's Soft Power in East Asia: A Quest for Status and Influence?' *NBR Special Report* 42 (Washington: The National Bureau of Asian Research, 2013).
- Christian Reus-Smit, Constructivism, in Scott Burchill, et al., *Theories of International Relations* (Basingstoke: Palgrave, 2005), pp. 188-212.
- Christopher Layne, 'The Unipolar Illusion Revisited: The Coming End of the United States' Unipolar Moment,' *International Security* 31, no. 2 (2006): 7-41.

- Christopher Layne, 'The Unipolar Illusion: Why New Great Powers Will Rise,' *International Security* 17, no. 4 (2009): 5-51.
- Christopher Len, 'China's 21st Century Maritime Silk Road Initiative, Energy Security and SLOC Access,' *Maritime Affairs: Journal of the National Maritime Foundation of India* 11, no. 1 (2015): 1-18.
- Christopher W Hughes, 'Japan's Response to China's Rise: Regional Engagement, Global Containment, Dangers of Collision,' *International Affairs* 85, no. 4 (2009): 837-856.
- Colin Mackerras, 'Xinjiang at the Turn of the Century: The Causes of Separatism,' *Central Asian Survey* 20, no. 3 (2001): 289-303.
- Da Wei, 'A Clear Signal of 'Core Interests'to the World,' *China Daily*, 2 August 2010, http://usa.chinadaily.com.cn/2010-08/02/content_11083124.htm.
- Dale C. Copeland, Economic Interdependence and the Future of US-Chinese Relations, in G. John Ikenberry and Michael Mastanduno, eds., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 323-52.
- Dale C. Copeland, *Economic Interdependence and War* (Princeton: Princeton University Press, 2014).
- Daniel Deudney and G. John Ikenberry. 'The Myth of the Autocratic Revival: Why Liberal Democracy Will Prevail,' *Foreign Affairs* 88, (2009): 77-93.
- Daniel Flesmes and Steven E. Lobell, 'Contested Leadership in International Relations,' *International Politics* 52, no. 2 (2015): 650-657.
- Daniel Twining, 'America's Grand Design in Asia,' *Washington Quarterly* 30, no. 3 (2007): 79-94.
- Daojiong Zha, 'China's Energy Security: Domestic and International Issues,' *Survival* 48, no. 1 (2006): 179-190.
- Darren J. Lim and Zark Cooper, 'Reassessing Hedging: The Logic of Alignment in East Asia,' *Security Studies* 24, no. 4 (2015): 696-727.
- David Beitelman, 'America's Pacific Pivot,' *International Journal* 67, no. 4 (2012): 1073-1094.
- David C. Kang, *China Rising: Peace, Power, and Order in East Asia* (New York: Columbia University Press, 2007).
- David Kerr and Swinton Laura, 'China, Xinjiang, and The Transnational Security of Central Asia,' *Critical Asian Studies* 40, no. 1 (2008): 89-112.
- David Kerr, 'Central Asian and Russian Perspectives on China's Strategic Emergence,' *International Affairs* 86, no. 1 (2010): 127-152.

- David M. Lampton, *Following the Leader: Ruling China, from Deng Xiaoping to Xi Jinping* (Berkley, CA: University of California Press, 2014).
- David M. Lampton, *Same Bed, Different Dreams: Managing US-China Relations, 1989-2000* (Berkley, CA: University of California Press, 2001).
- David M. Smick, 'Is China's New AIIB A Clever Ploy?,' *International Economy* (2015).
- David Scott, *China and the International System, 1840-1949: Power, Presence, and Perceptions in a Century of Humiliation* (New York: Suny Press, 2008).
- David Shambaugh, 'Assessing the US "Pivot" to Asia,' *Strategic Studies Quarterly* 7, no. 2 (2013), p. 10.
- David Shambaugh, 'China Engages Asia: Reshaping the Regional Order,' *International Security* 29, no. 3 (2005): 64-99.
- David Shambaugh, 'Growing Strong: China's Challenge to Asian Security,' *Survival* 36, no. 2 (1994): 43-59.
- David Shambaugh, *China Goes Global: The Partial Power* (New York: Oxford University Press, 2013).
- David Shambaugh, ed., *Tangled Titans: The United States and China* (Lanham, MD: Rowman & Littlefield, 2003).
- David Skidmore, 'Understanding the Unilateralist Turn in US Foreign Policy,' *Foreign Policy Analysis* 1, no. 2 (2005): 207-228.
- Deborah Welch Larson and Alexei Shevchenko, 'Status Seekers: Chinese and Russian Responses to US Primacy,' *International Security* 34, no. 4 (2010): 63-95.
- Deepak Nair, 'Regionalism in the Asia Pacific/East Asia: A Frustrated Regionalism?,' *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 31, no. 1 (2009): 118.
- Deng Xiaoping, *Build Socialism with Chinese Characteristics* (Beijing: Foreign Languages Press, 1985).
- Denny Roy, 'Southeast Asia and China: Balancing or Bandwagoning?,' *Contemporary Southeast Asia*, (2005): 305-322.
- Derek McDougall, 'Responses to 'Rising China' in the East Asian Region: Soft Balancing with Accommodation,' *Journal of Contemporary China* 21, no. 73 (2012): 1-17.
- Dmitri Trofimov, 'Shanghai Process: From the Five 'to the Cooperation Organization. Summing up the 1990s and Looking Ahead,' *Central Asia and the Caucasus* 2, no. 14 (2002): 86-92.

- Dongyang Zhu, 'Duterte's Visit Presents Overdue Opportunity for China-Philippines Rapprochement,' *Xinhua News Agency*, 18 October 2016, http://news.xinhuanet.com/english/2016-10/18/c_135762185.htm.
- Douglas Webber, 'Two Funerals and a Wedding? The Ups and Downs of Regionalism in East Asia and Asia-Pacific after the Asian Crisis,' *The Pacific Review* 14, no. 3 (2001): 339-372.
- Elizabeth C Economy, 'The Game Changer: Coping with China's Foreign Policy Revolution,' *Foreign Affairs* 89, (2010): 142.
- Elizabeth Economy, 'China's Rise in Southeast Asia: Implications for the United States,' *Journal of Contemporary China* 14, no. 44 (2005): 409-425.
- Elizabeth Wishnick, 'Russia and China: Brothers Again?,' *Asian Survey* 41, no. 5 (2001): 797-821.
- Elizabeth Wishnick, *Russia, China, and the United States in Central Asia: Prospects for Great Power Competition and Cooperation in the Shadow of the Georgian Crisis* (Carlisle, PA: Strategic Studies Institute of the US Army War College, 2009), p. 40-44.
- Emanuel Adler, 'Seizing the Middle Ground: Constructivism in World Politics,' *European Journal of International Relations* 3, no. 3 (1997): 319-363.
- Emilian Kavalski, 'The Shadows of Normative Power in Asia: Framing the International Agency of China, India, and Japan,' *Pacific Focus* 29, no. 3 (2014): 303-328.
- Emilian Kavalski, 'The Struggle for Recognition of Normative Powers: Normative Power Europe and Normative Power China in Context,' *Cooperation & Conflict* 48, no. 2 (2013): 247-267.
- Emilian Kavalski, *China and the Global Politics of Regionalization* (London: Routledge, 2016).
- Erik Gartzke, Quan Li, Charles Boehmer, 'Investing in the Peace: Economic Interdependence and International Conflict,' *International Organization* 55, no. 2 (2001): 391-438.
- Ernest Z. Bower, 'China Reveals its Hand on ASEAN in Phnom Penh', *East Asia Forum*, 28 July 2012, <http://www.eastasiaforum.org/2012/07/28/china-reveals-its-hand-on-asean-in-phnom-penh/>.
- Esme Howard Sr., 'British Policy and the Balance of Power,' *The American Political Science Review* 19, no. 2 (1925), p. 261.

- Etel Solingen, 'The Genesis, Design and Effects of Regional Institutions: Lessons from East Asia and the Middle East,' *International Studies Quarterly* 52, no. 2 (2008): 261–294.
- Evan Braden Montgomery, 'Competitive Strategies against Continental Powers: The Geopolitics of Sino-Indian-American Relations,' *Journal of Strategic Studies* 36, no. 1 (2013): 76-100.
- Evan Braden Montgomery, 'Contested Primacy in the Western Pacific: China's Rise and the Future of U.S. Power Projection,' *International Security* 38, no. 4 (2014): 115–149.
- Evan S. Medeiros, *China's International Behavior: Activism, Opportunism, and Diversification* (Santa Monica, CA: Rand Corporation, 2009).
- Evan S. Medeiros, *Pacific Currents: The Responses of US Allies and Security Partners in East Asia to China's Rise* (Santa Monica, CA: Rand Corporation, 2008).
- Evelyn Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,' *International Security* 32, no. 3, (2008): 113-157.
- Evelyn Goh, 'Southeast Asian Perspectives on the China Challenge,' *Journal of Strategic Studies* 30, no. 4/5 (2007): 809-832.
- Evelyn Goh, *The Struggle for Order: Hegemony, Hierarchy, and Transition in Post-Cold War East Asia* (Oxford: Oxford University Press, 2013).
- Evelyn S. Devadason, 'The Trans-Pacific Partnership (TPP): the Chinese Perspective,' *Journal of Contemporary China* 23, no. 87 (2012): 462-479.
- Ezeli Azarkan, 'The Relations between Central Asian States and United States, China and Russian within the Framework of the Shanghai Cooperation Organization,' *Alternatives: Turkish Journal of International Relations* 8, no. 3 (2009): 1-21.
- Ezra F. Vogel, *Deng Xiaoping and the Transformation of China* (Cambridge, MA: Belknap Press of Harvard University Press, 2011).
- F. William Engdahl, 'China and the Kyrgyz Geopolitical Future,' *Voltaire Network*, 27 May 2010, <http://www.voltairenet.org/article165551.html#nb7>.
- F. William Engdahl, 'Washington is Playing a Deeper Game with China,' *Global Research*, 11 July 2009, <http://www.globalresearch.ca/washington-is-playing-a-deeper-game-with-china/14327>.
- Fei Gao, 'The Shanghai Cooperation Organization and China's New Diplomacy, Discussion Papers in Diplomacy,' (Clingendael: Netherlands Institute of International Relations, 2010).

- Feng Zhang, 'Rethinking China's Grand Strategy: Beijing's Evolving National Interests and Strategic Ideas in the Reform Era,' *International Politics* 49, no. 3 (2012): 318-345.
- Feng Zhang, 'Rethinking the 'Tribute System': Broadening the Conceptual Horizon of Historical East Asian Politics,' *The Chinese Journal of International Politics* 2, no. 4 (2009): 545-574.
- Feng Zhu and Peng Lu, 'Be Strong and Be Good? Continuity and Change in China's International Strategy under Xi Jinping,' *China Quarterly of International Strategic Studies* 1, no. 1 (2015): 19-34.
- Feng Zhu, 'Chinese Perspectives on the U.S. Role in Southeast Asia,' *Southeast Asian Affairs* 2013, no. 1 (2013): 51-60.
- Flemming Splidsboel Hansen, 'The Shanghai Co-operation Organisation,' *Asian Affairs* 39, no. 2 (2008): 217-232.
- Foot Rosemary, 'China in the ASEAN Regional Forum: Organizational Processes and Domestic Modes of Thought,' *Asian Survey* 38, no. 5 (1998): 425-440.
- François Godement, 'Europe Scrambles to Benefit from China's 21st-Century Silk Road,' *Global Asia* 10, no. 3 (2015): 34-38.
- Frank C. Schuller and Thomas D. Grant, 'Multilateralism, Unilateralism and Managing American Power,' *International Affairs* 79, no. 1 (2003): 37-51.
- Friedrich Kratochwil and John Gerard Ruggie, 'International Organization: A State of the Art on an Art of the State,' *International Organization* 40, no. 4 (1986): 753-775.
- Fu Peng, 'Five Principles of Peaceful Coexistence not Outdated: Chinese President,' *Xinhua News Agency*, 28 June 2014, http://news.xinhuanet.com/english/china/2014-06/28/c_133445548.htm.
- G. John Ikenberry, *After Victory* (Princeton: Princeton University Press, 2001).
- G. John Ikenberry, 'Is American Multilateralism in Decline?,' *Perspective on Politics* 1, no. 3 (2003): 533-550.
- G. John Ikenberry, 'Rethinking the Origins of American Hegemony,' *Political Science Quarterly* 104, no. 3 (1989): 375-400.
- G. John Ikenberry, 'The Rise of China and the Future of the West: Can the Liberal System Survive?,' *Foreign Affairs* 87, (2008): 23-37.
- Gancheng Zhao, 'China–Russia–India Trilateral Relations,' *China Report* 45, no. 2 (2009): 127-133.
- Gardiner Harris, 'Vietnam Arms Embargo to Be Fully Lifted, Obama Says in Hanoi,' *New York Times*, 23 May 2016,

- http://www.nytimes.com/2016/05/24/world/asia/vietnam-us-arms-embargo-Obama.html?_r=0.
- Geoff Dyer, Jamil Anderlini and Henny Sender, 'China's Lending Hits New Heights,' *The Financial Times*, 17 January 2011, www.ft.com/cms/s/0/488c60f4-2281-11e0-b6a2-00144feab49a.html.
- Georgi Gotev, 'EU Unable to Adopt Statement Upholding China Sea Ruling,' *Euroactive*, 14 July 2016, <http://www.euractiv.com/section/global-europe/news/eu-unable-to-adopt-statement-upholding-south-china-sea-ruling/>.
- Georgiana Boboc, 'The Belt and Road Initiative: China's Soft Power Strategy,' *China Daily*, 5 July 2017, http://www.chinadaily.com.cn/opinion/2017beltandroad/2017-06/05/content_29618551.htm.
- Gerald Chan, Pak K. Lee and Lai-Ha Chan, *China Engages Global Governance: A New World Order in the Making?* (London: Routledge, 2011).
- Gilbert Rozman, 'Post-Cold War Evolution of Chinese Thinking on Regional Institutions in Northeast Asia,' *Journal of Contemporary China* 19, no. 66 (2010): 605-620.
- Global Times, 'South Korea to Antagonize China with THAAD,' *Global Times*, 7 January 2017, <http://www.globaltimes.cn/content/1027538.shtml>.
- Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap?* (Boston: Houghton Mifflin Harcourt, 2017).
- Gregory Chin and Richard Stubbs, 'China, Regional Institution-building and the China-ASEAN Free Trade Area,' *Review of International Political Economy* 18, no. 3 (2011): 277-298.
- Gregory G. Holyk, 'Paper Tiger? Chinese Soft Power in East Asia,' *Political Science Quarterly* 126, no. 2 (2011): 223-254.
- Guancha, 'Caizheng Buzhang Lou Jiwei jiu Yatouhang Fanbo Yakaihang Hangzhang: Xifang Guize Bingfei Zuijia' ['Chinese Finance Minister Lou Jiwei Responds to the President of Asian Development Bank: Western Rules May be not Best for AIIB'], *Guancha* [*The Observer*], 22 March 2015, http://www.guancha.cn/economy/2015_03_22_313149.shtml.
- Gwi Ok Kim, 'Building a Peaceful East Asian Community: Origins of a Regional Concept and Visions for a Global Age,' *Asian Perspective* 37, no. 2 (2013): 233-154.
- Harfold Mackinder, 'The Geographical Pivot of History,' *The Geographical Journal* 23, no. 4 (1904): 421-437.

- Henry M. Paulson Jr., 'A Strategic Economic Engagement: Strengthening US-Chinese Ties,' *Foreign Affairs* 87, no. 5 (2008): 59-77.
- Hidetaka Yoshimatsu, 'From Distrust to Mutual Interests? Emerging Cooperation in Northeast Asia,' *East Asia* 22, no. 22 (2005): 18-38.
- Hidetaka Yoshimatsu, 'The Rise of China and the Vision for an East Asian Community,' *Journal of Contemporary China* 18, no. 62 (2009): 745-765.
- Hilary Clinton, 'America's Pacific Century,' *Foreign Policy* 189, (2011): 56-63.
- Hugh Patrick and Peter Drysdale, 'An Asian-Pacific Regional Economic Organization: An Exploratory Concept Paper,' (Washington, DC: US Government Printing Office, July 1979), prepared for the Senate Committee on Foreign Relations by the Congressional Research Service, Library of Congress.
- Huiyun Feng, 'Is China a Revisionist Power?,' *The Chinese Journal of International Politics* 2, no. 3 (2009): 313-334.
- Hurrell Andrew, Regionalism in Theoretical Perspective, in Fawcett Louise and Hurrell Andrew eds., *Regionalism in World Politics: Regional Organization and International Order* (New York: Oxford University Press, 1995), pp. 37-73.
- Ian Clark, 'International Society and China: The Power of Norms and the Norms of Power,' *The Chinese Journal of International Politics* 7, no. 3 (2014): 315-40.
- Ian Hall and Frank Smith, 'The Struggle for Soft Power in Asia: Public Diplomacy and Regional Competition,' *Asian Security* 9, no. 1 (2013): 1-18.
- Ian Hurd, 'Legitimacy and Authority in International Politics,' *International Organization* 53, no. 2 (1999): 379-408.
- Ian Storey, 'Japan's Maritime Security Interests in Southeast Asia and the South China Sea Dispute,' *Political Science* 65, no. 2 (2013): 135-156.
- Ian Tsung-Yen Chen and Alan Hao Yang, 'A Harmonized Southeast Asia? Explanatory Typologies of ASEAN Countries' Strategies to the Rise of China,' *The Pacific Review* 26, no. 3 (2013): 265-288.
- J. Richard Walsh, 'China and the New Geopolitics of Central Asia,' *Asian Survey* 33, no. 3 (1993): 272-284.
- Jack S. Levy and William R. Thompson, 'Balancing on Land and at Sea: Do States Ally against the Leading Global Power?,' *International Security* 35, no. 1 (2010): 7-43.
- Jackson Jay, 'Normative Power and Conflict Potential,' *Sociological Methods & Research* 4, no. 2 (1975): 237-239.
- Jagdish Bhagwati, 'Departures from Multilateralism: Regionalism and Aggressive Unilateralism,' *The Economic Journal* 100, no. 403 (1990): 1304-1317.

- James A. Caporaso, 'International Relations Theory and Multilateralism: The Search for Foundations,' *International Organization* 46, no. 3 (1992): 599-632.
- James Bellacqua, *The Future of China–Russia Relations* (Lexington, KY: The University Press of Kentucky, 2009).
- James Brassett and Eleni Tsingou, 'The Politics of Legitimate Global Governance,' *Review of International Political Economy* 18, no. 1 (2011): 1-16.
- James H. Mittelman, 'Rethinking the New Regionalism in the Context of Globalization,' *Global Governance* 2, no. 2 (1996): 189-213.
- James H. Mittelman, Rethinking the 'New Regionalism' in the Context of Globalization, *Globalism and the New Regionalism* (London: Palgrave Macmillan, 1999), pp. 25-53.
- James Raymond Vreeland, *The International Monetary Fund: Politics of Conditional Lending* (London and New York: Routledge, 2007).
- Jan Aart Scholte, 'Towards Greater Legitimacy in Global Governance,' *Review of International Political Economy* 18, no. 1 (2011): 110-120.
- Jayantnuja Bandyopadhyaya, 'The Non-Aligned Movement and International Relations,' *India Quarterly* 33, no. 2 (1977): 137-164.
- Jayanth Jacob, 'Can't Accept Project that Ignores Core Concerns: India on China's Belt and Road Forum,' *The Hindustan Times*, 16 May 2017, <https://www.hindustantimes.com/india-news/can-t-accept-project-that-ignores-core-concerns-india-on-china-s-belt-and-road-forum/story-TbCYp92USqYDuSEDKpyhHJ.html>.
- Jeffrey W. Legro, 'What China Will Want: The Future Intentions of a Rising Power,' *Perspective on Politics* 5, no. 5 (2007): 515-534.
- Jian Chen, *Mao's China and the Cold War* (Chapel Hill: University of North Carolina Press, 2010).
- Jian Zhang, 'China's New Foreign Policy under Xi Jinping: towards 'Peaceful Rise 2.0'?', *Global Change, Peace & Security* 27, no. 1 (2015): 5-19.
- Jianjong Yue, 'Peaceful Rise of China: Myth or Reality?' *International Politics* 45, no. 4 (2008): 439–56.
- Jiang An, 'Mao Zedong's "Three Worlds" Theory: Political Considerations and Value for the Times,' *Social Sciences in China* 34, no. 1 (2013): 35-57.
- Jianwei Wang, 'Chinese Perspectives on Multilateral Security Cooperation,' *Asian Perspective* 22, no. 3 (1998), p. 118.
- Jim Garamone, 'Trump Signs Fiscal Year 2018 Defense Authorization,' *US Department of Defense*, 12 December 2017,

- <https://www.defense.gov/News/Article/Article/1394990/trump-signs-fiscal-year-2018-defense-authorization/>.
- Jingdian Gao, *Deng Xiaoping guoji zhanlue shixiang yanjiu* [*A Study on Deng Xiaoping's Thoughts on International Strategy*], (Beijing: Guofang daxue chubanshe, 1992) [Beijing: National Defense University Press, 1992].
- Jingdong Yuan, 'China's Role in Establishing and Building the Shanghai Cooperation Organization (SCO),' *Journal of Contemporary China* 19, no. 67 (2010): 855-869.
- Jinghan Zeng, Yuefan Xiao, and Shaun Breslin, 'Securing China's Core Interests: The State of the Debate in China,' *International Affairs* 91, no. 2 (2015): 245-266.
- Jisi Wang, 'China's Search for Stability with America,' *Foreign Affairs* 84, no. 5 (2005): 39-48.
- Jisi Wang, 'Xijin: Zhongguo Diyu Zhanlue de Zai Pingheng' ['Marching West: China's Geopolitical Rebalancing Strategy'], *Huanqiu Shibao* [*Global Times*], 17 October 2012, http://opinion.huanqiu.com/opinion_world/2012-10/3193760.html.
- John D. Ciorciari, 'The Limits of Alignment: Southeast Asia and the Great Powers since 1975,' *South East Asia Research* 85, no. 3 (2015): 669-670.
- John Dumbrell, 'Unilateralism and 'America First'? President George W. Bush's Foreign Policy,' *The Political Quarterly* 73, no. 3 (2002): 279-287.
- John G. Ikenberry, 'Is American Multilateralism in Decline?,' *Perspective on Politics* 1, no. 3 (2003): 533-550.
- John G. Ruggie, 'Multilateralism: The Anatomy of an Institution,' *International Organization* 46, no. 3 (1992): 561.
- John G. Ruggie, 'What Makes the World Hang Together? Neo-Utilitarianism and the Social Constructivist Challenge,' *International Organization* 52, no. 4 (1998): 855-885.
- John G. Ruggie, 'Doctrinal Unilateralism and Its Limits: America and Global Governance in the New Century,' in David P. Forsythe, *American Foreign Policy in A Globalized World* (New York: Routledge, 2006), pp. 39-58.
- John Herz, 'Idealist Internationalism and the Security Dilemma,' *World Politics* 2, (1950): 157-180.
- John J. Mearsheimer, 'Can China Rise Peacefully?' *The National Interest*, 25 October 2014, <http://nationalinterest.org/commentary/can-china-rise-peacefully-10204>.
- John J. Mearsheimer, 'China's Unpeaceful Rise,' *Current History* 105, no. 690 (2006), p. 160.

- John J. Mearsheimer, 'The Gathering Storm: China's Challenge to US Power in Asia,' *The Chinese Journal of International Politics* 3, no. 4 (2010): 381-396.
- John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001).
- John J. Mearsheimer, 'Why China's Rise Will Not Be Peaceful,' 17 September 2004, <http://mearsheimer.uchicago.edu/pdfs/A0034b.pdf>.
- John King Fairbank and Ta-tuan Ch'en, *The Chinese World Order: Traditional China's Foreign Relations* 32, (Cambridge, MA: Harvard University Press, 1968).
- John Lewis Gaddis, *Surprise, Security, and the American Experience* (Cambridge, MA: Harvard University Press, 2004).
- John Marangos, 'What happened to the Washington Consensus? The Evolution of International Development Policy,' *Cambridge Law Journal* 38, no. 1 (2009): 197-208.
- John Peterson, 'Present at the Destruction? The Liberal Order in the Trump Era,' *International Spectator* 53, no. 1 (2018): 28-44.
- John Ravenhill, 'A Three Bloc World? The New East Asian Regionalism,' *International Relations of the Asia-Pacific* 2, no. 2 (2002): 167-195.
- John Ravenhill, 'Is China an Economic Threat to Southeast Asia?,' *Asian Survey* 46, no. 5 (2006): 653-674.
- John Ravenhill, 'The 'New East Asian Regionalism': A Political Domino Effect,' *Review of International Political Economy* 17, no. 2 (2010): 178-208.
- John W. Garver, 'The Chinese Communist Party and the Collapse of Soviet Union,' *The China Quarterly* 133, (1993): 96-110.
- John Williamson, 'An Agenda for Restarting Growth and Reform,' *Institute of Defence & Strategic Studies* (2003).
- John Williamson, 'Democracy and the "Washington Consensus,"' *World Development* 21, no. 8 (1993): 1329-1336.
- John Williamson, 'Did the Washington Consensus Fail,' *World Economy* (2005).
- Joseph Fewsmith, *China since Tiananmen: The Politics of Transition* (Cambridge: Cambridge University Press, 2001).
- Joseph S. Nye Jr., 'The Changing Nature of World Power,' *Political Science Quarterly* 105, no. 2 (1990): 177-92.
- Joseph S. Nye, 'A New Sino-Russian Alliance?,' *Project Syndicate*, 12 January 2015, <http://www.project-syndicate.org/commentary/russia-china-alliance-by-joseph-s-nye-2015-01>.

- Joseph Y. S. Cheng, 'The Shanghai Co-operation Organization: China's Initiative in Regional Institutional Building,' *Journal of Contemporary Asia* 41, no. 4 (2011): 632-656.
- Joseph Y.S. Cheng, 'China's Approach to BRICS,' *Journal of Contemporary China* 24, no. 92 (2015): 357-375.
- Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World* (New Haven: Yale University Press, 2007).
- Judith Kelley, 'Strategic Non-cooperation as Soft Balancing: Why Iraq was not just about Iraq,' *International Politics* 42, no. 2 (2005): 153-173.
- Julia C. Morse and Robert O. Keohane, 'Contested Multilateralism,' *The Review of International Organizations* 9, no. 4 (2014): 385-412.
- Julie Gilson, 'Complex Regional Multilateralism: 'Strategising' Japan's Responses to Southeast Asia,' *The Pacific Review* 17, no.1 (2004): 71-94.
- Justin Yifu Lin, Fang Cai, and Zhou Li, *The China Miracle: Development Strategy and Economic Reform* (Hong Kong: Chinese University Press, 2003).
- Jyotsna Bakshi, 'Shanghai Co-operation Organization (SCO) before and after September 11,' *Strategic Analysis* 26, no. 2 (2002): 265-276.
- Kai He and Huiyun Feng, 'If Not Soft Balancing, then What? Reconsidering Soft Balancing and U.S. Policy toward China,' *Security Studies* 17, no. 2 (2008): 363-395.
- Kai He and Huiyun Feng, 'Xi Jinping's Operational Code Beliefs and China's Foreign Policy,' *The Chinese Journal of International Politics* 6, no. 3 (2013): 209-231.
- Kai He, 'Institutional Balancing and International Relations Theory: Economic Interdependence and Balance of Power Strategies in Southeast Asia,' *European Journal of International Relations* 14, no. 3 (2008): 489-518.
- Kanti Bajpai, Jing Huang, and Kishore Mahbubani, eds., *China-India Relations: Cooperation and Conflict* 56, (London: Routledge, 2015).
- Kar Ming Yu, 'Rethinking China's Relations with East Asian Powers: Old and New Problems,' *China: An International Journal* 12, no. 2 (2014): 14-30.
- Kenneth N. Waltz, *Theory of International Politics* (New York: Random House, 1979).
- Kenneth Waltz, 'Structural Realism after the Cold War,' *International Security* 25, no. 1 (2000): 5-41.
- Kent Ann, *Beyond Compliance: China, International Organizations and Global Security* (Stanford, CA: Stanford University Press, 2007).

- Kevin Sheives, 'China Turns West: Beijing's Contemporary Strategy towards Central Asia,' *Pacific Affairs* 79, no. 2 (2006): 205-224.
- Klaus Mehnert, 'Soviet-Chinese Relations,' *International Affairs* 35, no. 4 (1959): 417-426.
- Lam Peng Er, 'China, the United States, Alliances, and War: Avoiding the Thucydides Trap?' *Asian Affairs: An American Review* 43, no. 2 (2016): 36-46.
- Lanxin Xiang, 'China and the 'Pivot'' *Survival* 54, no. 5 (2012): 113-128.
- Lee Lai To, 'China, the USA and the South China Sea Conflicts,' *Security Dialogue* 34, no. 1 (2003): 25-39.
- Leszek Buszynski, 'Southeast Asia in the post-Cold War Era: Regionalism and Security,' *Asian Survey* 32, no. 9 (1992): 830-847.
- Lillian Craig Harris, 'Xinjiang, Central Asia and the Implications for China's Policy in the Islamic World,' *The China Quarterly* 133, (1993): 111-129.
- Lim Kheng Swe, Ju Hailong, and Li Mingjiang, 'China's Revisionist Aspirations in Southeast Asia and the Curse of the South China Sea Disputes,' *China: An International Journal* 15, no. 1 (2017): 187-213.
- Linda D. Kozaryn, 'The Road from Baltimore to Bishkek,' *American Forces Press Service of the US Department of Defense*, 14 May 2002, <http://archive.defense.gov/news/newsarticle.aspx?id=44060>.
- Lingjie Kong, 'The Belt and Road Initiative and China's Foreign Policy toward its Territorial and Boundary Disputes,' *China Quarterly of International Strategic Studies* 1, no. 2 (2015): 325-345.
- Lisa L. Martin, 'Interests, Power, and Multilateralism,' *International Organization* 46, no. 4 (1992): 765-792.
- Lloyd Gruber, *Ruling the World: Power Politics and the Rise of Supranational Institutions* (Princeton, NJ: Princeton University Press, 2000).
- Lorenz M. Lüthi, *The Sino-Soviet Split: Cold War in the Communist World* (Princeton: Princeton University Press, 2010), p. 1.
- Louise L'Estrange Fawcett and Andrew Hurrell, *Regionalism in World Politics: Regional Organization and International Order* (Oxford: Oxford University Press, 1995).
- Louise Watt, 'Recent Developments Surrounding the South China Sea,' *Associated Press*, 7 August 2017, https://www.washingtonpost.com/world/asia_pacific/recent-developments-surrounding-the-south-china-sea/2017/08/07/f3d2d97a-7b30-11e7-b2b1-aeba62854dfa_story.html.

- Lowell Dittmer, 'Central Asia and the Regional Powers,' *China and Eurasia Forum Quarterly* 5, no. 4 (2007): 7-22.
- M. Taylor Fravel, 'China's Search for Military Power,' *Washington Quarterly* 31, no. 3 (2008): 125-141.
- M. Taylor Fravel and Evan S. Medeiros, 'China's Search for Assured Retaliation: The Evolution of Chinese Nuclear Strategy and Force Structure,' *International Security* 35, no. 2 (2010): 48-87.
- Ma Liyao and Hu Haiyan, 'BRIC Wants Changes soon to Global Financial System,' *China Daily*, 17 April 2010, http://www.chinadaily.com.cn/world/2010-04/17/content_9742491.htm.
- Manners Ian, 'Normative Power Europe: A Contradiction in Terms?' *Journal of Common Market Studies* 40, no. 2 (2002): 235-258.
- Mao Zedong, *Mao Zedong on Diplomacy* (Beijing: Foreign Languages Press, 1998), p. 454.
- Marc Lanteigne, *China and International Institutions Alternate Paths to Global Power* (London: Routledge, 2005).
- Mario Telò, Introduction: Globalization, New Regionalism and the Role of the European Union, *European Union and New Regionalism* (Aldershot: Ashgate, 2001).
- Mark Beeson, *Regionalism and Globalization in East Asia: Politics, Security and Economic Development* (New York: Palgrave Macmillan, 2014).
- Mathieu Duchâtel and E. Puig, Chinese Reactions to the US Rebalance toward Asia: Strategic Distrust and Pragmatic Adaptation, in Hugo Meijer, *Origins and Evolution of the US Rebalance toward Asia* (New York: Palgrave Macmillan, 2015).
- Matthew D. Stephen, 'Rising Powers, Global Capitalism and Liberal Global Governance: A Historical Materialist Account of the BRICs Challenge,' *European Journal of International Relations* 20, no. 4 (2014): 912-938.
- Matthew D. Stephen, 'Rising Regional Powers and International Institutions: The Foreign Policy Orientations of India, Brazil and South Africa,' *Global Society* 26, no. 3 (2012): 289-309.
- Matthew Oresman, 'Catching the Shanghai Spirit,' *Foreign Policy* 142, (2004): 78-79.
- Michael A. Glosny, 'China and the BRICs: A Real (but Limited) Partnership in a Unipolar World,' *Polity* 42, no. 1 (2010): 100-129.

- Michael A. Glosny, 'Re-Examining China's Charm Offensive Toward Asia: How Much Reshaping of Regional Order?,' *Asian Politics & Policy* 9, no. 1 (2017): 31-49.
- Michael Clarke, 'China's Integration of Xinjiang with Central Asia: Securing a "Silk Road" to Great Power Status?' *China and Eurasia Forum Quarterly* 6, no. 2 (2008): 89-111.
- Michael Clarke, 'Making the Crooked Straight: China's Grand Strategy of "Peaceful Rise" and its Central Asian Dimension,' *Asian Security* 4, no. 2 (2008): 107-142.
- Michael D. Swaine, *America's Challenge: Engaging a Rising China in the Twenty-First Century* (Washington, DC: Carnegie Endowment, 2011).
- Michael D. Swaine, et al., *China's Military & the US-Japan Alliance in 2030: A Strategic Net Assessment* (Washington, DC: Carnegie Endowment for International Peace, 2013).
- Michael D. Swaine, Sara A. Daly, and Peter W. Greenwood, *Interpreting China's Grand Strategy: Past, Present, and Future* (Santa Monica, CA: Rand Corporation, 2000).
- Michael J. Green and Matthew P. Goodman, 'After TPP: The Geopolitics of Asia and the Pacific,' *The Washington Quarterly* 38, no. 4 (2015): 19-34.
- Michael Levin, *The Next Great Clash: China and Russia vs. the United States* (Conn.: Praeger Security International, 2009).
- Michael Pillsbury, *China Debates the Future Security Environment* (Washington DC.: Institute for National Strategic Studies of National Defense University, 2000).
- Michael Pillsbury, *The Hundred-year Marathon: China's Secret Strategy to Replace America as the Global Superpower* (New York: Henry Holt and Company, 2015).
- Michael Swaine, 'China's Assertive Behavior, Part One: On 'Core Interests',' *China Leadership Monitor* 34, (2010).
- Michael Yahuda, 'China's New Assertiveness in the South China Sea,' *Journal of Contemporary China* 22, no. 81 (2013): 446-459.
- Michael Yahuda, *Towards the End of Isolationism: China's Foreign Policy after Mao* (London: Macmillan Education UK, 1983).
- Michael Zürn and Matthew Stephen, 'The View of Old and New Powers on the Legitimacy of International Institutions,' *Politics* 30, Supplements1 (2010): 91-101.

- Michel Yahuda, China's Multilateralism and Regional Order, in Guoguang Wu and Helen Lansdowne, eds., *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2008): 1-20.
- Mike Callaghan and Paul Hubbard, 'The Asian Infrastructure Investment Bank: Multilateralism on the Silk Road,' *China Economic Journal* 9, no. 2 (2016): 116-139.
- Mike M. Mochizuki, 'Japan's Shifting Strategy toward the Rise of China,' *Journal of Strategic Studies* 30, no. 4-5 (2007): 739-776.
- Miles Kahler and Scott L. Kastner, 'Strategic Uses of Economic Interdependence: Engagement Policies on the Korean Peninsula and Across the Taiwan Strait,' *Journal of Peace Research* 43, no. 5 (2006): 523-541.
- Miles Kahler, 'Multilateralism with Small and Large Numbers,' *International Organization* 46, no. 3 (1992): 681-708.
- Miles Kahler, 'Rising Powers and Global Governance: Negotiating Change in a Resilient Status Quo,' *International Affairs* 89, no. 3 (2013): 711-729.
- Mingjiang Li, 'Rising from within: China's Search for a Multilateral World and its Implications for Sino-US Relations,' *Global Governance* 17, no. 3 (2011): 331-351.
- Ministry of Commerce of China, National Bureau of Statistics of the People's Republic of China, State Administration of Foreign Exchange, *2013 Statistical Bulletin of China's Outward Foreign Direct Investment* (Beijing: China Statistics Press, 2014).
- Ministry of External Affairs, 'Official Spokesperson's Response to a Query on Participation of India in OBOR/BRI Forum,' *Ministry of External Affairs of the Government of India*, 13 May 2017, http://www.mea.gov.in/mediabriefings.htm?dtl/28463/Official_Spokespersons_response_to_a_query_on_participation_of_India_in_OBORBRI_Forum.
- Ministry of Foreign Affairs, 'Joint Press Release Between the People's Republic of China and the Republic of the Union of Myanmar,' *Ministry of Foreign Affairs of China*, 20 August 2016, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1390889.shtml.
- Ministry of Foreign Affairs, 'President Jiang Zemin's Six-Nation Tour Crowned with Success,' *Ministry of Foreign Affairs of China*, 25 June 2002, http://www.fmprc.gov.cn/mfa_eng/topics_665678/3729_666010/t19104.shtml.
- Ministry of Foreign Affairs, 'The Central Conference on Work Relating to Foreign Affairs was Held in Beijing,' *Ministry of Foreign Affairs of China*, 29

- November 2014,
http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1215680.shtml.
- Ministry of Foreign Affairs, 'The Taiwan Question in China-U.S. Relations,' *Ministry of Foreign Affairs of China*, 17 November 2000,
http://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/bmdyzs_664814/gjlb_664818/3432_664920/3441_664938/t17320.shtml.
- Ministry of Foreign Affairs, 'Towards a Good-Neighbourly Partnership of Mutual Trust Oriented to the 21st Century,' the Speech delivered by Chinese President Jiang Zemin, *Ministry of Foreign Affairs of China*, 16 December 1997, <http://www.fmprc.gov.cn/zd/jn/eng/zywj/t270546.htm>.
- Mira Rapp Hooper, 'Uncharted Waters: Extended Deterrence and Maritime Disputes,' *The Washington Quarterly* 38, no.1 (2015): 127-146.
- Mlada Bukovansky, *Legitimacy and Power Politics: The American and French Revolutions in International Political Culture* (Princeton: Princeton University Press, 2010).
- Mu Xuequan, 'Xi Jinping: China to Further Friendly Relations with Neighboring Countries,' *Xinhua News Agency*, 26 October 2013,
http://news.xinhuanet.com/english/china/2013-10/26/c_125601680.htm.
- Mure Dickie, 'China Economy Overtakes Japan,' *The Financial Times*, 15 February 2011, <https://www.ft.com/content/3275e03a-37dd-11e0-b91a-00144feabdc0>.
- Mzukisi Qobo and M. Soko, 'The Rise of Emerging Powers in the Global Development Finance Architecture: The Case of the BRICS and the New Development Bank,' *South African Journal of International Affairs* 22, no. 3 (2015): 1-12.
- National Development and Reform Commission, 'Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road,' *The State Council of China*, 28 March 2015,
http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html.
- Nick Bisley, 'China's Rise and the Making of East Asia's Security Architecture,' *Journal of Contemporary China* 21, no. 73 (2012): 19-34.
- Nick Miller, 'China Undermining us 'with Sticks and Carrots': Outgoing German Minister,' *The Sydney Morning Herald*, 19 February 2018,
<http://www.smh.com.au/world/china-undermining-us-with-sticks-and-carrots-outgoing-german-minister-20180218-p4z0s6>.
- Nick Thomas, 'Building an East Asian Community: Origins, Structure, and Limits,' *Asian Perspective* 26, no. 4 (2002): 83-112.

- Nicola Casarini, 'When All Roads Lead to Beijing: Assessing China's New Silk Road and its Implications for Europe,' *The International Spectator* 51, no. 4 (2016): 95-108.
- Nien-chung Chang-Liao, 'China's New Foreign Policy under Xi Jinping,' *Asian Security* 12, no. 2 (2016): 82-91.
- Niklas Swanström, 'China and Central Asia: A New Great Game or Traditional Vassal Relations?,' *Journal of Contemporary China* 14, no. 45 (2005): 569-584.
- Niklas Swanström, 'Georgia: The Split that Split the SCO,' *CACI Analyst*, 3 September 2008, <http://old.cacianalyst.org/?q=node/4930>.
- Niklas Swanström, 'Sino-Russian Relations at the Start of the New Millennium in Central Asia and Beyond,' *Journal of Contemporary China* 23, no. 23 (2014): 480-497.
- Nina Silove, 'The Pivot before the Pivot: US Strategy to Preserve the Power Balance in Asia,' *International Security* 40, no. 4 (2016): 45-88.
- Ole R. Holsti, *Making American Foreign Policy* (London and New York: Routledge, 2006).
- Olga Oliker and David A. Shlapak, *U.S. Interests in Central Asia: Policy Priorities and Military Roles* (Santa Monica, CA: RAND Corporation, 2005), <http://www.rand.org/pubs/monographs/MG338.html>.
- Oliver Stuenkel, *The BRICS and the Future of Global Order* (Lanham, MD: Lexington Books, 2015).
- Pan Guang, 'China and Central Asia: Charting a New Course for Regional Development', *China Brief* 7, no. 3 (2007), http://www.jamestown.org/china_brief/article.php?articleid=2373267.
- Paul A. Papayoanou and Scott L. Kastner, 'Sleeping with the (Potential) Enemy: Assessing the US Policy of Engagement with China,' *Security Studies* 9, no. 1/2 (2007): 157-187.
- Paul A. Papayoanou, *Power Ties: Economic Interdependence, Balancing, and War* (Ann Arbor, MI: Michigan University Press, 1999).
- Peter Ferdinand, 'Sunset, Sunrise: China and Russia Construct a New Relationship,' *International Affairs* 83, no. 5 (2007): 841-867.
- Peter Ferdinand, 'Westward ho—the China Dream and 'One Belt, One Road': Chinese Foreign Policy under Xi Jinping,' *International Affairs* 92, no. 4 (2016): 941-957.
- Peter Hopkirk, *The Great Game: The Struggle for Empire in Central Asia* (Tokyo: Kodansha International, 1994).

- Peter J. Katzenstein, 'Regionalism and Asia,' *New Political Economy* 5, no. 3 (2000): 353-368.
- Philip Stephens, 'Now China Starts to Make the Rules,' *The Financial Times*, 28 May 2015, <https://www.ft.com/content/9dafcb30-0395-11e5-a70f-00144feabdc0>.
- Phillip Andrews-Speed and Sergei Vinogradov, 'China's Involvement in Central Asian Petroleum,' *Asian Survey* 40, no. 2 (2000): 377-397.
- Philomena Murray, 'Comparative Regional Integration in the EU and East Asia: Moving beyond Integration Snobbery,' *International Politics* 47, no. 3-4 (2010): 308-323.
- Philomena Murray, 'East Asian Regionalism and EU Studies,' *Journal of European Integration* 32, no. 6 (2010): 597-616.
- Phunchok Stobdan, 'Shanghai Cooperation Organization: Challenges to China's Leadership,' *Strategic Analysis* 32, no. 4 (2008), p. 532.
- Prashanth Parameswaran, 'China Blocked ASEAN Defense Meeting Pact Amid South China Sea Fears: US Official,' *The Diplomat*, 4 November 2015, <http://thediplomat.com/2015/11/china-blocked-asia-defense-meeting-pact-amid-south-china-sea-fears-us-official/>.
- Priya Chacko, 'A New "Special Relationship"? Power Transitions, Ontological Security, and India-US Relations,' *International Studies Perspectives* 15, no. 3 (2014): 329-346.
- Priya Chacko and Kanishka Jayasuriya, 'Trump, the Authoritarian Populist Revolt and the Future of the Rules-Based Order in Asia,' *Australian Journal of International Affairs* 71, no. 2 (2017): 121-27.
- Qichen Qian, 'Toward a Bright Future of Regionalism,' *Global Asia* 1, no. 1 (2006): 19-21.
- Qimao Chen, 'New Approaches in China's Foreign Policy: The Post-Cold War Era,' *Asian Survey* 33, no. 3 (1993): 237-251.
- Quansheng Zhao, 'China and Major Power Relations in East Asia,' *Journal of Contemporary China* 10, no. 29 (2010): 663-681.
- Quansheng Zhao, 'Chinese Foreign Policy in the Post-Cold War Era,' *World Affairs* 159, no. 3 (1997): 114-129.
- Raimo Väyrynen, 'Regionalism: Old and New,' *International Studies Review* 5, no. 1 (2003): 25-51.
- Ralph A. Cossa, 'US Approaches to Multilateral Security and Economic Organizations in the Asia-Pacific,' *US Hegemony & International Organizations* (2003): 193-215.

- Randall L. Jeffrey W. Legro, 'What China Will Want: The Future Intentions of a Rising Power,' *Perspective on Politics* 5, no. 5 (2007): 515-534.
- Randall L. Schweller and Xiaoyu Pu, 'After Unipolarity: Chinas Visions of International Order in an Era of U.S. Decline,' *International Security* 36, no. 1 (2011): 41-72.
- Ren Xiao, 'Toward a Chinese School of International Relations?', in Gungwu Wang and Yongnian Zheng, eds., *China and the New International Order* (London: Routledge, 2008): 296-297.
- Renato Cruz De Castro, 'The 21st Century Philippine-US Enhanced Defense Cooperation Agreement (EDCA): The Philippines' Policy in Facilitating the Obama Administration's Strategic Pivot to Asia,' *Korean Journal of Defense Analysis* 26, no. 4 (2014): 427-446.
- Richard Baldwin, 'A Domino Theory of Regionalism,' *NBER Working Papers* no. 4465, National Bureau of Economic Research, September 1993, <http://www.nber.org/papers/w4465.pdf>.
- Richard Little, *The Balance of Power in International Relations, Metaphors, Myths and Models* (Cambridge: Cambridge University Press, 2007).
- Richard Stubbs, 'ASEAN Plus Three: Emerging East Asian Regionalism?,' *Asian Survey* 42, no. 3 (2002): 440-455.
- Richard Stubbs, 'Signing on to Liberalization: AFTA and the Politics of Regional Economic Cooperation,' *The Pacific Review* 13, no. 2 (2000): 297-318.
- Robert A. Pape, 'Soft Balancing against the United States,' *International Security* 30, no. 1 (2005): 7-45.
- Robert Axelrod, *The Evolution of Cooperation* (New York: Basic Books, 1984).
- Robert B. Zoellick, 'US, China and Thucydides,' *The National Interest* 126, (2013): 22-30.
- Robert D. Blackwill and Ashley J. Tellis, *Revising US Grand Strategy toward China*, (Washington: Council on Foreign Relations, 2015), p. 13.
- Robert Ellsworth, Andrew Goodpaster, and Rita Hauser, co-chairs, *America's National Interests: A Report from The Commission on America's National Interests*, Washington, DC: Commission on America's National Interests, July 2000.
- Robert G. Sutter, 'Assessing China's Rise and US Leadership in Asia: Growing Maturity and Balance,' *Journal of Contemporary China* 19, no. 65 (2010): 591-604.
- Robert G. Sutter, *Chinese Foreign Relations: Power and Policy since the Cold War* (Lanham, MD: Rowman & Littlefield Publishers, 2012).

- Robert Gilpin, *War and Change in World Politics* (Princeton: Princeton University Press, 1981), p. 187.
- Robert Jervis, 'Cooperation under the Security Dilemma,' *World Politics* 30, (1978): 189-214.
- Robert Kagan, 'Power and Weakness,' *Policy Review*, No. 113, June/July 2002, p. 4, <https://www.ies.be/files/documents/JMCdepository/Robert%20Kagan,%20Power%20and%20Weakness,%20Policy%20Review,%20No.%20113.pdf>.
- Robert M. A. Crawford and Darryl S. L. Jarvis, *International Relations - Still an American Social Science? Toward Diversity in International Thought* (Albany NY: State University of New York Press, 2000).
- Robert O. Keohane, 'Multilateralism: An Agenda for Research,' *International Journal* 45, no. 4 (1990): 731.
- Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984).
- Robert O. Keohane, Institutional Theory and the Realist Challenge after the Cold War, in David A. Baldwin, *Neorealism and Neoliberalism: The Contemporary Debate* (New York: Columbia University Press, 1993), p. 273.
- Robert Powell, 'The Theoretical Foundations of Strategic Nuclear Deterrence,' *Political Science Quarterly* 100, no. 1 (1985): 75-96.
- Robert Powell, *Nuclear Deterrence Theory: The Search for Credibility* (Cambridge: Cambridge University Press, 1990).
- Robert S. Ross, *China, the United States, and the Soviet Union: Tripolarity and Policy Making in the Cold War* (London: M.E. Sharpe, 1993).
- Roberto Bendini, 'EU and US Trade Policy and its Global Implications: TPP, TTIP and China,' *Directorate-General for External Policies*, 7 July 2014, http://www.europarl.europa.eu/RegData/etudes/briefing_note/join/2014/522349/EXPO-INTA_SP%282014%29522349_EN.pdf.
- Robin Emmott and Angeliki Koutantou, 'Greece Blocks EU Statement on China Human Rights at UN,' *The Reuters*, 18 June 2017, <https://uk.reuters.com/article/uk-eu-un-rights-idUKKBN1990G0>.
- Rodolfo C. Severino, 'Southeast Asia and the Great Powers,' *South East Asia Research* 18, no. 4 (2010): 793-796.
- Ronald O'Rourke, *China Naval Modernization: Implications for US Navy Capabilities- Background and Issues for Congress* (Darby, PA: Diane Publishing, 2010).
- Rosemary Foot and Andrew Walter, *China, the United States, and Global Order* (Cambridge: Cambridge University Press, 2010).

- Rosemary Foot, 'Chinese Strategies in a US-hegemonic Global Order: Accommodating and Hedging,' *International Affairs* 82, No. 1 (2006): 77-94.
- Rosemary Foot, S. Neil MacFarlane, and Michael Mastanduno, eds., *US Hegemony and International Organizations: The United States and Multilateral Institutions* (Oxford: Oxford University Press, 2003).
- Russell Ong, 'China's Security Interests in Central Asia,' *Central Asian Survey* 24, no. 4 (2005): 425-439.
- Samuel C. Y. Ku, 'China's Changing Political Economy with Southeast Asia: Starting a New Page of Accord,' *Asian Perspective* 30, no. 4 (2006): 113-140.
- Shanghai Cooperation Organization, 'Chapter of the Shanghai Cooperation Organization,' 15 June 2002, <http://www.uzbekistanitalia.org/home/sco/charter>.
- Shannon Tiezzi, 'Don't Forget About the New BRICS Bank,' *The Diplomat*, 22 July 2015, <http://thediplomat.com/2015/07/dont-forget-about-the-new-brics-bank/>.
- Shannon Tow, 'Southeast Asia in the Sino-US Strategic Balance,' *Contemporary Southeast Asia* (2004): 434-459.
- Shasha Deng, 'Chinese President Hu Jintao's Speech at Opening Ceremony of Boao Forum,' *Xinhua News Agency*, 15 April 2011, http://news.xinhuanet.com/english2010/china/2011-04/15/c_13830786.htm.
- Shaun Breslin, 'China's Emerging Global Role: Dissatisfied Responsible Great Power,' *Politics* 30, no. 1 (2010): 52-62.
- Shaun Breslin, 'Understanding China's Regional Rise: Interpretations, Identities and Implications,' *International Affairs* 85, no. 4 (2009): 817-835.
- Shaun Narine, *Explaining ASEAN: Regionalism in Southeast Asia* (Boulder: Lynne Rienner, 2002).
- Sheldon W. Simon, 'The US Rebalance and Southeast Asia,' *Asian Survey* 55, no. 3 (2015): 572-595.
- Sherman Garnett, 'Challenges of the Sino-Russian Strategic Partnership,' *The Washington Quarterly* 24, no. 24 (2001): 41-54.
- Shirley A. Kan, et al., 'China-U.S. Aircraft Collision Incident of April 2001: Assessments and Policy Implications,' *CRS Report for Congress*, 10 October 2001, <https://fas.org/sgp/crs/row/RL30946.pdf>.
- Shyam Saran, 'The Quadrilateral: Is it an Alliance or an Alignment?,' *The Hindustan Times*, 25 November 2017, <https://www.hindustantimes.com/analysis/the-quadrilateral-is-it-an-alliance-or-an-alignment/story-16CvgQjKHwaayoQjaOl2kM.html>.

- Silvana Malle, 'Russia and China in the 21st Century, Moving towards Cooperative Behaviour,' *Journal of Eurasian Studies* 8, no. 2 (2017): 136-150.
- Stanley Hoffmann, 'An American Social Science: International Relations,' *Daedalus* 106, no. 3 (1977): 41-60.
- State Council of China, 'China's Peaceful Development,' *The Information Office of the State Council of China*, 6 September 2011, http://www.gov.cn/jrzg/2011-09/06/content_1941204.htm.
- Stefan Halper, *The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty-first Century* (New York: Basic Books, 2010).
- Stephen Aris, 'The Shanghai Cooperation Organisation: 'Tackling the Three Evils', A Regional Response to Non-traditional Security Challenges or an Anti-Western Bloc?,' *Europe-Asia Studies* 61, no. 3 (2009): 457-482.
- Stephen Aris, Spreading the "Shanghai Spirit": A Chinese model of regionalization in post-Soviet Central Asia, in Emilian Kavalski, ed., *China and the Global Politics of Regionalization* (Ranham: Ashgate, 2009), pp. 153-164.
- Stephen D. Krasner, 'Structural Causes and Regime Consequences: Regimes as Intervening Variables,' *International Organization* 36, no. 2 (1982): 185-205.
- Stephen D. Krasner, *International Regimes* (Ithaca, NY: Cornell University Press, 1983).
- Stephen G. Brooks and William C. Wohlforth, 'Hard Times for Soft Balancing,' *International Security* 30, no. 1 (2005): 72-108.
- Stephen G. Brooks and William C. Wohlforth, *World Out of Balance: International Relations and the Challenge of American Primacy* (Princeton, N.J.: Princeton University Press, 2010).
- Stephen Walt, 'International Relations: One World, Many Theories,' *Foreign Policy* 110, (1998): 29-46.
- Steve Smith, 'The End of the Unipolar Moment? September 11 and the Future of World Order,' *International Relations* 16, no. 2 (2002): 171-183.
- Steven Holloway, 'US Unilateralism at the UN: Why Great Powers Do Not Make Great Multilateralists,' *Global Governance* 6, no. 3 (2000): 361-381.
- Steven Pifer and James Tyson, 'Third-country Nuclear Forces and Possible Measures for Multilateral Arms Control,' *The Brookings Institution*, August 2016, <https://www.brookings.edu/research/third-country-nuclear-forces-and-possible-measures-for-multilateral-arms-control/>.
- Steven W. Hook and John Spanier, *American Foreign Policy since World War II* (Los Angeles: Cq Press, 2015).

- Suisheng Zhao and Xiong Qi, 'Hedging and Geostrategic Balance of East Asian Countries toward China,' *Journal of Contemporary China* 25, no. 100 (2016): 485-499.
- Suisheng Zhao, 'A New Model of Big Power Relations? China-US Strategic Rivalry and Balance of Power in the Asia-Pacific,' *Journal of Contemporary China* 24, no. 93 (2015): 377-397.
- Suisheng Zhao, 'China's Approaches toward Regional Cooperation in East Asia: Motivations and Calculations,' *Journal of Contemporary China* 20, no. 68 (2011): 53-67.
- Suisheng Zhao, 'China's Global Search for Energy Security: Cooperation and Competition in Asia-Pacific,' *Journal of Contemporary China* 17, no. 55 (2008): 207-227.
- Suisheng Zhao, 'China's Periphery Policy and its Asian Neighbors,' *Security Dialogue* 30, no. 3 (1999): 335-346.
- Suisheng Zhao, 'Chinese Foreign Policy under Hu Jintao: The Struggle between Low-Profile Policy and Diplomatic Activism,' *Hague Journal of Diplomacy* 5, (2010): 357-378.
- Suisheng Zhao, 'Rethinking the Chinese World Order: The Imperial Cycle and the Rise of China,' *Journal of Contemporary China* 24, no. 96 (2015): 961-982.
- Suisheng Zhao, *China and the United States: Cooperation and Competition in Northeast Asia* (New York: Palgrave Macmillan, 2008).
- Sun Shangwu, 'Military Drill Aims to Deepen Mutual Trust,' *China Daily*, 3 August 2005, http://www.chinadaily.com.cn/english/doc/2005-08/03/content_465742.htm.
- Susan L. Shirk, *The Political Logic of Economic Reform in China* (Berkeley, CA: University of California Press, 1993).
- Susan Turner, 'Russia, China and a Multipolar World Order: The Danger in the Undefined,' *Asian Perspective* 33, no. 1 (2009): 159-184.
- Susanne Lütz and Matthias Kranke, 'The European Rescue of the Washington Consensus? EU and IMF Lending to Central and Eastern European Countries,' *Review of International Political Economy* 21, no. 2 (2014): 310-338.
- Svante E. Cornell and Regine A. Spector, 'Central Asia: More than Islamic Extremists,' *The Washington Quarterly* 25, no. 1 (2002): 193-206.
- Svante E. Cornell, 'The United States and Central Asia: in the Steppes to Stay?,' *Cambridge Review of International Affairs* 17, no. 2 (2004): 239-254.
- Swaine, Michael D. Swaine, 'Chinese Views and Commentary on Periphery Diplomacy,' *China Leadership Monitor* 44, no. 1 (2014).

- Taek Goo Kang, 'Assessing China's Approach to Regional Multilateral Security Cooperation,' *Australian Journal of International Affairs* 64, no. 4 (2010): 406-431.
- Thazha V. Paul, 'Soft Balancing in the Age of US Primacy,' *International Security* 30, no. 1 (2005): 46-71.
- The BRF Secretariat, 'Joint Communiqué of the Leaders Roundtable of the Belt and Road Forum for International Cooperation,' *The Belt and Road Forum for International Cooperation*, 16 May 2017, <http://beltandroadforum.org/english/n100/2017/0516/c22-423.html>.
- The People's Net, 'Decision of the Central Committee of the Communist Party of China on Some Major Issues Concerning Comprehensively Deepening the Reform,' *The People's Net*, 29 January 2014, <http://en.people.cn/90785/8525422.html>.
- The Russian Government, 'Meeting of the SCO Council of Heads of Government,' *The Russian Government*, 3 November 2016, <http://government.ru/en/news/25170/>.
- The White House, 'Fact Sheet: United States-Philippines Bilateral Relations,' *Office of the Press Secretary of the White House*, 28 April 2014, <https://www.whitehouse.gov/the-press-office/2014/04/28/fact-sheet-united-states-philippines-bilateral-relations>.
- The White House, 'President Donald J. Trump Announces a National Security Strategy to Advance America's Interests,' *The White House*, 18 December 2017, <https://www.whitehouse.gov/briefings-statements/president-donald-j-trump-announces-national-security-strategy-advance-americas-interests/>.
- The White House, 'Presidential Memorandum Regarding Withdrawal of the United States from the Trans-Pacific Partnership Negotiations and Agreement,' *The White House*, 23 January 2017, <https://www.whitehouse.gov/the-press-office/2017/01/23/presidential-memorandum-regarding-withdrawal-united-states-trans-pacific>.
- The White House, 'Statement by the President on the Trans-Pacific Partnership,' *Office of the Press Secretary of the White House*, 5 October 2015, <https://www.whitehouse.gov/the-press-office/2015/10/05/statement-president-trans-pacific-partnership>.
- The White House, 'The National Security Strategy of the America of United States,' *The White House*, 18 December 2017,

- <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>.
- Theresa Fallon, 'China's Pivot to Europe,' *American Foreign Policy Interests* 36, no. 3 (2014): 175-182.
- Theresa Fallon, 'The EU, the South China Sea, and China's Successful Wedge Strategy,' *Center for Strategic and International Studies*, 13 October 2016, <https://amti.csis.org/eu-south-china-sea-chinas-successful-wedge-strategy/>.
- Theresa Fallon, 'The New Silk Road: Xi Jinping's Grand Strategy for Eurasia,' *American Foreign Policy Interests* 37, no. 3 (2015): 140-147.
- Thomas Ambrosio, 'Catching the 'Shanghai Spirit': How the Shanghai Cooperation Organization Promotes Authoritarian Norms in Central Asia,' *Europe-Asia Studies* 60, no. 8 (2008): 1321-1344.
- Thomas J. Christensen, 'China, the US-Japan Alliance and the Security Dilemma in East Asia,' *International Security* 23, no. 4 (1999): 49-80.
- Thomas J. Christensen, 'Chinese Realpolitik,' *Foreign Affairs* 75, no. 5 (1996): 37-52.
- Thomas J. Christensen, 'Fostering Stability or Creating a Monster? The Rise of China and US Policy toward East Asia,' *International Security* 31, no. 1 (2006): 81-126.
- Thomas J. Christensen, 'The Meaning of the Nuclear Evolution: China's Strategic Modernization and US-China Security Relations,' *Journal of Strategic Studies* 35, no. 4 (2012): 447-487.
- Thomas Palley, 'Trump's Neocon Neoliberalism Camouflaged with Anti-Globalization Circus,' *Challenge* 60, no. 4 (2017): 368-374.
- Thrassy N. Marketos, *China's Energy Geopolitics: The Shanghai Cooperation Organization and Central Asia* (London: Routledge, 2008).
- Tim Kelly and Martin Petty, 'Vietnam Agrees to Japanese Warship Visit, Naval Exercise,' *Reuters*, 6 November 2015, <http://www.reuters.com/article/2015/11/06/us-southchinasea-vietnam-japan-idUSKCN0SV0NW20151106#Kej85HIUhQAkj4vC.97>.
- Tingyang Zhao, 'Rethinking Empire from a Chinese Concept 'All-under-Heaven' (Tianxia),' *Social Identities* 12, no. 1 (2006): 29-41.
- Toshi Yoshihara and James R. Holmes, *Red Star over the Pacific: China's Rise and the Challenge to US Maritime Strategy* (Annapolis, MD: Naval Institute Press, 2010).
- Tudor A. Onea, 'Between Dominance and Decline: Status Anxiety and Great Power Rivalry,' *Review of International Studies* 40, no. 1 (2014): 125-152.

- United Nations Conference on Trade and Development (UNCTAD), *World Investment Report 2016* (Geneva: United Nations, 2016), http://unctad.org/en/PublicationsLibrary/wir2016_en.pdf.
- US Department of State, 'Taiwan Relations Act,' *US Department of State*, 1 January 1979, https://photos.state.gov/libraries/ait-taiwan/171414/ait-pages/tra_e.pdf.
- US Department of Treasury, 'Major Foreign Holders of Treasury Securities,' *US Department of Treasury and Federal Reserve Board*, December 2017, <http://ticdata.treasury.gov/Publish/mfh.txt>.
- Valerie Hansen, *The Silk Road: A New History* (Oxford: Oxford University Press, 2012).
- Van Jackson, 'The South China Sea Needs South Korea,' *The Diplomat*, 24 June 2015, <http://thediplomat.com/2015/06/the-south-china-sea-needs-south-korea/>.
- Victor D. Cha, 'Powerplay: Origins of the US Alliance System in Asia,' *International Security* 34, no. 3 (2010): 165-166.
- Vinod K Aggarwal and Min Gyo Koo, eds, *Asia's New Institutional Architecture: Evolving Structures for Managing Trade, Financial, and Security Relations* (Berlin: Springer, 2008).
- Walter Mattli, *The Logic of Regional Integration: Europe and beyond* (Cambridge: Cambridge University Press, 1999).
- Walter Russell Mead, 'The Return of Geopolitics: The Revenge of the Revisionist Powers,' *Foreign Affairs* 93, no. 3 (2014): 69-79.
- Wang Yi, 'The Belt and Road Initiative Becomes New Opportunity for China-Latin America Cooperation,' *Ministry of Foreign Affairs of China*, 18 September 2017, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1494844.shtml.
- Weifeng Zhou and Mario Esteban, 'Beyond Balancing: China's Approach towards the Belt and Road Initiative,' *Journal of Contemporary China*, (2018), article DOI: 10.1080/10670564.2018.1433476.
- Weifeng Zhou, 'China's Growing Assertiveness in the South China Sea,' ARI 60/2015, *The Elcano Royal Institute*, Madrid, 5 November 2015, <http://www.realinstitutoelcano.org/wps/wcm/connect/a06a94004a7842a9b8a5be207bacc4c/ARI60-2015-Chinas-growing-assertiveness-in-the-South-China-Sea.pdf?MOD=AJPERES&CACHEID=a06a94004a7842a9b8a5be207bacc4c>.
- Weiqing Song, 'Feeling Safe, Being Strong: China's Strategy of Soft Balancing through the Shanghai Cooperation Organization,' *International Politics* 50, no. 5 (2013): 664-685.

- William A. Callahan, 'China's "Asia Dream": The Belt Road Initiative and the New Regional Order,' *Asian Journal of Comparative Politics* 1, no. 3 (2016): 226-243.
- William A. Callahan, 'Chinese Visions of World Order: Post-hegemonic or a New Hegemony?,' *International Studies Review* 10, no. 4 (2008): 749-761.
- William C. Wohlforth, 'Unipolarity, Status Competition, and Great Power War,' *World Politics* 61, no. 1 (2009): 28-57.
- William H. Overholt, 'One Belt, One Road, One Pivot,' *Global Asia* 10, no. 3 (2015): 1-8.
- World Economic Forum, 'President Xi's Speech to Davos in Full,' *The World Economic Forum*, 17 January 2017, <https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>.
- Guoguang Wu and Helen Lansdowne, *China Turns to Multilateralism: Foreign Policy and Regional Security* (London: Routledge, 2011).
- Xi Jinping, 'Xi Jinping: Genghao tongchou guonei guoji liangge daju, hangshi zou heping fazhan daolu de jichu' ['Xi Jinping: To Better Manage Domestic and International Situations and to Lay a Solid Foundation to the Path of Peaceful Development'], *CPC News*, 28 January 2013, <http://cpc.people.com.cn/xuexi/n/2015/0721/c397563-27337509.html>.
- Xiao Ren, 'Between Adapting and Shaping: China's Role in Asian Regional Cooperation,' *Journal of Contemporary China* 18, no. 59 (2009): 303-320.
- Xiao Ren, 'China as an Institution-builder: The Case of the AIIB,' *Pacific Review* 29, no. 3 (2016): 435-442.
- Xiaoming Zhang, 'A Rising China and the Normative Changes in International Society,' *East Asia* 28, no. 3 (2011): 235-246.
- Xiaoming Zhang, 'The Rise of China and Community Building in East Asia,' *Asian Perspective* 30, no. 3 (2006): 129-148.
- Xin Li and Verner Worm, 'Building China's Soft Power for a Peaceful Rise,' *Journal of Chinese Political Science* 16, no. 1 (2011): 69-89.
- Xinbo Wu, 'Four Contradictions Constraining China's Foreign Policy Behavior,' *Journal of Contemporary China* 10, no. 27 (2001): 293-301.
- Xinhua News Agency, 'Adhere to Peaceful Development Road, Push Forward Building of Harmonious World,' *Xinhua News Agency*, 27 September 2012, http://www.chinadaily.com.cn/hqpl/zggc/2012-09-27/content_7122373.html.

Xinhua News Agency, 'Backgrounder: PLA-related Military Exercises since 2002,' *Xinhua News Agency*, 5 September 2004, http://news.xinhuanet.com/english/2004-09/25/content_2020458.htm.

Xinhua News Agency, 'Central Foreign Affairs Meeting Held in Beijing: Hu Jintao Deliver Important Speeches,' *Xinhua News Agency*, 23 August 2006, <http://news.cri.cn/gb/8606/2006/08/24/1062@1187221.htm>.

Xinhua News Agency, 'China Opposes Taiwan Travel Act passed by US,' *Xinhua News Agency*, 17 January 2018, http://www.xinhuanet.com/english/2018-01/17/c_136902592.htm.

Xinhua News Agency, 'China to Increase 2018 Defense Budget by 8.1 Percent,' *Xinhua News Agency*, 5 March 2018, http://www.xinhuanet.com/english/2018-03/05/c_137016482.htm.

Xinhua News Agency, 'China, Russia, Mongolia Endorse Development Plan on Economic Corridor,' *Xinhua News Agency*, 24 June 2016, http://news.xinhuanet.com/english/2016-06/24/c_135461510.htm.

Xinhua News Agency, 'China, Serbia Publish Blueprint for Upgrading Partnership,' *Xinhua News Agency*, 18 June 2016, http://news.xinhuanet.com/english/2016-06/18/c_135447513.htm.

Xinhua News Agency, 'Chinese President Calls for Building Harmonious World,' *Xinhua News Agency*, 24 September 2009, http://news.xinhuanet.com/english/2009-09/24/content_12104060.htm.

Xinhua News Agency, 'List of Deliverables of Belt and Road Forum,' *Xinhua News Agency*, 15 May 2017, http://news.xinhuanet.com/english/2017-05/15/c_136286376.htm.

Xinhua News Agency, 'President Xi's Speech on Work Together to Build the Silk Road Economic Belt and The 21st Century Maritime Silk Road,' *Xinhua News Agency*, 14 May 2017, http://news.xinhuanet.com/english/2017-05/14/c_136282982.htm.

Xinhua News Agency, 'Xi Eyes More Enabling International Environment for China's Peaceful Development,' *Xinhua News Agency*, 24 November 2014, http://news.xinhuanet.com/english/china/2014-11/30/c_133822694_4.htm.

Xinhua News Agency, 'Xi's World Vision: A Community of Common Destiny, a Shared Home for Humanity,' *Xinhua News Agency*, 15 January 2017, http://news.xinhuanet.com/english/2017-01/15/c_135983586.htm.

Xinhua News Agency, 'Xi's Speech at the Work Forum on Periphery Diplomacy and Foreign Affairs,' *Xinhua News Agency*, 25 October 2013, http://www.xinhuanet.com/politics/2013-10/25/c_117878897.htm.

- Xinhua News Agency, 'Xinhua Insight: China Comes to the Fore in Multilateral Diplomacy,' *Xinhua News Agency*, 3 October 2016, http://news.xinhuanet.com/english/2016-10/03/c_135729956.htm.
- Xuanli Liao, 'Central Asia and China's Energy Security,' *China and Eurasia Forum Quarterly* 4, no. 4 (2006): 61-69.
- Xuefeng Sun, 'Why does China Reassure South-East Asia,' *Pacific Focus* 24, no. 3 (2009): 298-316.
- Xuetong Yan, 'From Keeping a Low Profile to Striving for Achievement,' *The Chinese Journal of International Politics* 7, no. 2 (2014): 153-184.
- Xuetong Yan, 'The Instability of China-US Relations,' *The Chinese Journal of International Politics* 3, no. 3 (2010): 263-292.
- Xuetong Yan, 'The Rise of China and its Power Status,' *The Chinese Journal of International Politics* 1, no. 1 (2006): 5-33.
- Yang Jiang, 'China's Pursuit of Free Trade Agreements: Is China Exceptional?,' *Review of International Political Economy* 17, no. 2 (2010): 238-261.
- Yang Jiechi, 'Study and Implement General Secretary Xi Jinping's Thought on Diplomacy in a Deep-going Way and Keep Writing New Chapters of Major-Country Diplomacy with Distinctive Chinese Features,' *Ministry of Foreign Affairs of China*, 17 July 2017, http://www.fmprc.gov.cn/mfa_eng/wjbxw/t1478497.shtml.
- Yang Lu, *China-India Relations in the Contemporary World: Dynamics of National Identity and Interest* (Abingdon and New York: Routledge, 2016).
- Yaqing Qin, 'International Society as a Process: Institutions, Identities, and China's Peaceful Rise,' *The Chinese Journal of International Politics* 3, no. 2 (2010): 129-153.
- Yashwant Raj, 'Trump Puts Pakistan on Notice in Afghanistan Policy, Wants India to Spend More,' *The Hindustan Times*, 22 August 2017, <https://www.hindustantimes.com/world-news/trump-unveils-new-afghanistan-policy-clears-way-for-troop-increase/story-BY0W6JUVaHsu3Hv744C9iJ.html>.
- Yining Li and Justin Yifu Lin, 'The New Normal of China's Economy,' *China Daily*, 10 October 2014, http://www.chinadaily.com.cn/opinion/2014-10/10/content_18716671.htm.
- Yiping Huang, 'Understanding China's Belt & Road Initiative: Motivation, Framework and Assessment,' *China Economic Review* 40 (2016): 314-321.

- Yitzhak Shichor, 'China's Central Asian Strategy and the Xinjiang Connection: Predicaments and Medicaments in a Contemporary Perspective,' *China and Eurasia Forum Quarterly* 6, no. 2 (2008): 55-73.
- Yizhou Wang, 'Guojia liyi zai sikao' ['Rethinking National Interests'], *Zhongguo Shehui Kexue* [Social Science in China], no. 2 (2002): 160-170.
- Yong Deng and Fei-Ling Wang, ed., *China Rising: Power and Motivation in Chinese Foreign Policy* (Lanham, MD: Rowman & Littlefield Publishers, 2004).
- Yong Deng, 'Hegemon on the Offensive: Chinese Perspectives on U.S. Global Strategy,' *Political Science Quarterly* 116, no. 3 (2001): 343-365.
- Yong Deng, *China's Struggle for Status: The Realignment of International Relations* (Cambridge: Cambridge University Press, 2008).
- Yong Wang, 'Offensive for Defensive: The Belt and Road Initiative and China's New Grand Strategy,' *The Pacific Review* 29, no. 3 (2016): 455-463.
- Yongjin Zhang and Barry Buzan, 'The Tributary System as International Society in Theory and Practice,' *The Chinese Journal of International Politics* 5, no. 1 (2012): 3-36.
- Yongjin Zhang, 'China and the Struggle for Legitimacy of a Rising Power,' *The Chinese Journal of International Politics* 8, no. 3 (2015): 301-322.
- Yongjin Zhang, 'Introduction: Dynamism and Contention: Understanding Chinese Foreign Policy under Xi Jinping,' *International Affairs* 92, no. 4 (2016): 769-772.
- Yongjin Zhang, 'The English School in China: A Travelogue of Ideas and their Diffusion,' *European Journal of International Relations* 9, no. 1 (2003): 87-114.
- Younkyoo Kim and Fabio Indeo, 'The New Great Game in Central Asia Post 2014: The US "New Silk Road" Strategy and Sino-Russian Rivalry,' *Communist and Post-Communist Studies* 46, no. 2 (2013): 275-286.
- Younkyoo Kim and Stephen Blank, 'Same Bed, Different Dreams: China's 'Peaceful Rise' and Sino-Russian Rivalry in Central Asia,' *Journal of Contemporary China* 22, no. 83 (2013): 773-790.
- Yuan-Kang Wang, 'Explaining the Tribute System: Power, Confucianism, and War in Medieval East Asia,' *Journal of East Asian Studies* 13, no. 2 (2013): 207-232.
- Yukinori Komine, *Secrecy in US Foreign Policy: Nixon, Kissinger and the Rapprochement with China* (London: Routledge, 2016).
- Yunling Zhang and Shiping Tang, China's Regional Strategy, in David Shambaugh, *Power Shift: China and Asia's New Dynamics* (Berkeley: University of California Press, 2005), pp. 48-70.

- Yunling Zhang, 'China and its Neighbourhood: Transformation, Challenges and Grand Strategy,' *International Affairs* 92, no. 4 (2016): 835-848.
- Yunling Zhang, 'Emerging New East Asian Regionalism,' *Asia Pacific Review* 12, no. 1 (2005): 55-63.
- Yunling Zhang, 'One Belt, One Road: A Chinese View,' *Global Asia* 10, no. 3 (2005): 8-12.
- Yunling Zhang, *China and Asian Regionalism* (Singapore: World Scientific Publishing, 2010).
- Yuwen Deng, 'How to Understand China's Foreign Policy,' *Foreign Policy*, 23 April 2013,
<http://foreignpolicy.com/2013/04/23/how-to-understand-chinas-foreign-policy/>.
- Zbigniew Brzezinski, 'Can China Avoid the Thucydides Trap?,' *New Perspectives Quarterly* 31, no. 2 (2014): 31-33.
- Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives* (New York: Basic Books, 1998), p. 31.

APPENDIX

Chart 1: The Evolution of Chinese Foreign Policy in Regional Multilateralism

	Foreign policy preference	Regional multilateral initiatives	Geographical scope	China's changing role
First phase 1978-1991	A passive stance	N. A.	N. A.	China's transition from a planned economy to market economy
Second phase 1991-2001	A positive stance	Asia-Pacific Economic Cooperation (APEC), ASEAN Plus Three (APT), ASEAN Plus China, Trilateral Cooperation	East Asia	China's integration into the world economy
Third phase 2001-2013	An active stance	The Shanghai Cooperation Organization (SCO)	Central Asia	China's rise to a regional and global power
Fourth phase 2013-present	A proactive stance	The Belt and Road Initiative (BRI) & The Asian Infrastructure Investment Bank (AIIB)	Eurasian Space	China's search for great power status

Source: the author's compilation.

Chart 2: The Hypotheses of China's Approach towards Regional Multilateralism

	Motivations and Calculations	Relevance and Significance	Success and Limits
Regional multilateralism in East Asia	-Power -Security -Status	A strategy of institutional balancing: -Establishing asymmetric economic interdependence -Enhancing strategic reassurance -Deterring formation of any anti-China coalition	Undermining the US power and influence Enhancing China's role as a peaceful power - Geopolitical and geostrategic rivalry - Territorial dispute
Regional multilateralism in Central Asia	-Power -Security -Norms -Status	A strategy of soft balancing against the hegemon: -Resisting US expansion in Central Asia -Promoting common norms -Fostering a multipolar world order	Undermining the US power and influence Countering color revolution Forging a strategic Sino-Russia alliance - Sino-Russia geopolitical competition
Regional multilateralism in Eurasia	-Power -Security -Norms -Status	A multi-faceted grand strategy: -Soft balancing against the US -Building soft and normative power -Reshaping global governance	Undermining the US power and influence Building China's role as a normative power Moving from a rule-taker to rule-maker - Geopolitical competition - Territorial dispute - Security threat - Political risks and uncertainty

Source: the author's compilation.

Table 1: China's Trade with Major Partners in 1998, 2007 and 2013

Ranking	Major partners	Share (%)	Share (%)	Share (%)
		1998	2007	2013
1	European Union*	18.4%	17.3%	13.4%
2	United States	16.9%	15.0%	12.4%
3	Japan	17.9%	11.4%	7.5%
4	ASEAN	7.3%	9.7%	10.9%
5	South Korea	6.6%	7.8%	6.6%

Source: DG Trade Statistics (2008 and 2014), European Commission,
<http://ec.europa.eu/trade>.

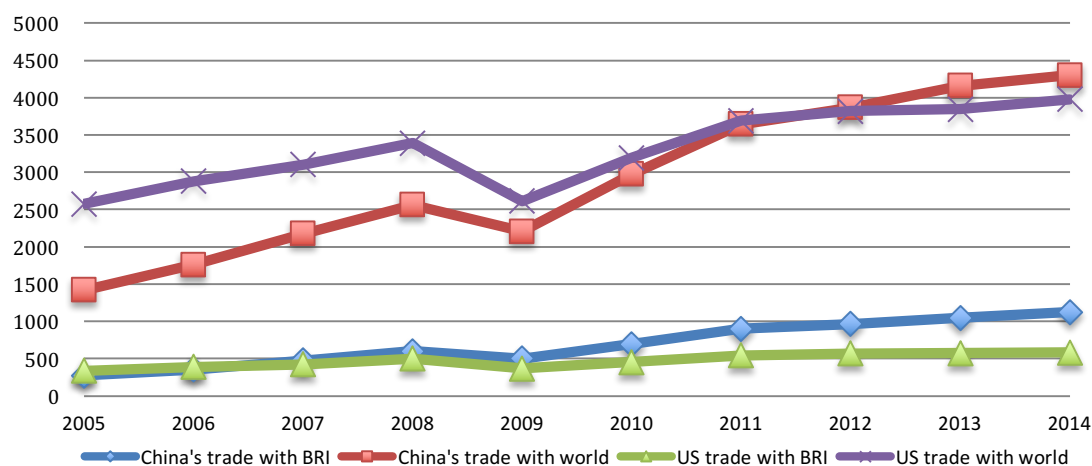
Note: * European Union refers to the EU 27 member states.

Table 2: Top Trading Partners of East Asian States in 1998, 2007 And 2013

Country	Top partners & share		Top partners & share		Top partners & share	
	1998		2007		2013	
Japan	(1) US	27.8%	(1) China	18.6%	(1) China	20.0%
	(3) ASEAN	12.9%	(2) US	17.1%	(2) US	13.3%
	(4) China	8.6%	(3) EU	13.4%	(3) EU	9.7%
South Korea	(1) US	19.2%	(1) China	22.0%	(1) China	21.3%
	(3) Japan	12.9%	(2) EU	12.4%	(2) EU	9.8%
	(5) China	8.2%	(3) Japan	12.0%	(3) US	9.7%
ASEAN	(1) US	16.1%	(1) China	12.1%	(1) China	18.8%
	(2) Japan	15.3%	(2) EU	11.8%	(2) EU	13.0%
	(4) China	4.3%	(3) Japan	11.4%	(3) Japan	12.6%

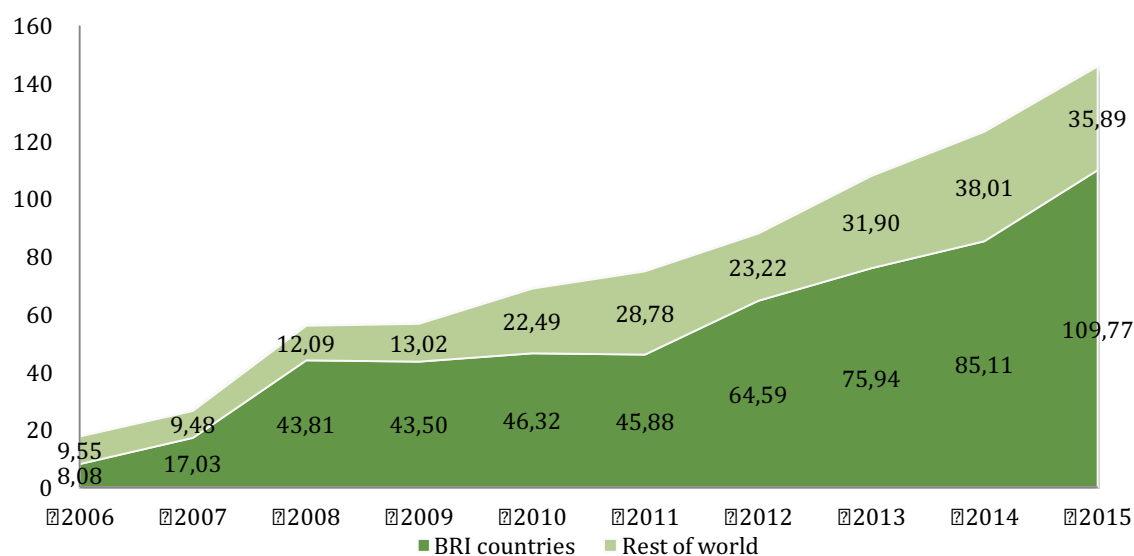
Source: DG Trade Statistics (2008 and 2014), European Commission,
<http://ec.europa.eu/trade>.

Figure 1: China and US Trade with BRI Countries and World during 2005-2014
(in billion USD)



Source: National Bureau of Statistics of China, <http://data.stats.gov.cn>; The International Trade Administration, U.S. Department of Commerce, <http://www.trade.gov>.

Figure 2: China's Outward FDI into BRI Countries and World during 2006-2015
(in billion USD)



Source: 2015 Statistical Bulletin of China's Outward Foreign Direct Investment